

PRELIMINARY REVIEW
OF
COMPETITIVE BIDDING OF CONTRACTS
DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

PREPARED FOR
THE JOINT LEGISLATIVE SELECT COMMITTEE
ON THE WAYNE COUNTY DETROIT METROPOLITAN AIRPORT

March 16, 2000

The Honorable Glenn D. Steil
Michigan State Senate
Co-Chairperson, Joint Legislative Select Committee
1020 Farnum Building
Lansing, Michigan
and
The Honorable James L. Koetje
Michigan House of Representatives
Co-Chairperson, Joint Legislative Select Committee
N1093 House Office Building
Lansing, Michigan

Dear Senator Steil and Representative Koetje:

This is our special report on our preliminary review of competitive bidding of contracts at the Detroit Metropolitan Wayne County Airport (the Airport). This report is in response to a request from the Joint Legislative Select Committee (the Committee) on the Wayne County Detroit Metropolitan Airport that we perform a preliminary review of the Airport.

The Committee identified seven general issue areas for us to consider in our preliminary review. This report on competitive bidding of contracts addresses one of the seven issue areas.

This special report contains a background, purpose of report, overview of Airport contracting, scope of preliminary review, comments, and various exhibits.

Our procedures were of limited scope. Therefore, our review should not be considered an audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

We are available to present this special report to the Committee upon request. If this is the Committee's desire or if you have any questions or concerns regarding this review, please contact me.

Sincerely,

Thomas H. McTavish, C.P.A.
Auditor General

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TABLE OF CONTENTS

COMPETITIVE BIDDING OF CONTRACTS DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

	<u>Page</u>
Report Letter	1
Background	4
Purpose of Report	5
Overview of Airport Contracting	5
Scope of Preliminary Review	6
Comments	7
Analytical Review	7
Solicitation and Competitive Bidding	8
Contract Renewals, Extensions, and Amendments	10
Wayne County Commission Approval	12
Contract Provision Analysis	13
Requests for Information	13
 Exhibit A - Competitive Solicitation Information for Concession, Management/Service, Construction, Consultant, and Purchase Agreements	 18
Exhibit B - Agreement Period Summary for Concession and Management/Service Agreements	20
Exhibit C - Wayne County Commission Resolutions Authorizing Concession, Management/Service, Construction, Consultant, Purchase, Airline, and Lease Agreements	22
Exhibit D - Wayne County Ordinance Sections Pertaining to Commission Approval and Award of Contract/Agreement by Competitive Process	30
Exhibit E - Contract Listing and Review Summaries	33
Exhibits F - N Various Correspondence Documenting the Request and Receipt of Information	92

PRELIMINARY REVIEW OF COMPETITIVE BIDDING OF CONTRACTS AT THE DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

BACKGROUND

In 1928, the Wayne County Airport was established pursuant to Act 182, P.A. 1927, which authorized political subdivisions, such as Wayne County, to acquire land for the operation of an airport. Renamed the Detroit-Wayne Major Airport in 1947 and the Detroit Metropolitan Wayne County Airport in 1958, the Airport today is operated under the authority of the Aeronautics Code of the State of Michigan (Sections 259.1 - 259.208 of the *Michigan Compiled Laws*). Section 259.126 of the *Michigan Compiled Laws* authorizes political subdivisions, such as Wayne County, to operate airports.

The Airport is served by all major domestic airlines and serves as a "hub" for Northwest Airlines, which operates 60 of the Airport's 103 aircraft gates. The Airport currently consists of three passenger terminals (one international terminal and two domestic terminals) as well as an on-site user-financed parking operation that is managed by a private contractor. The Airport presently has five runways (three North-South runways and two crosswind runways).

With the completion of the \$10.8 million expansion to its Concourse A in November 1999, the Airport increased its number of aircraft gates to 103. In addition, the Airport and Northwest Airlines formulated an agreement in October 1996 to construct a new terminal complex, located southwest of the existing passenger terminal, called the Midfield Terminal Project. It includes a terminal building consisting of a terminal, a connecting link, an East Concourse with 66 jet aircraft gates, a passenger tunnel, and a West Concourse with 8 jet aircraft gates and 25 commuter aircraft gates; a new parking structure; an energy plant; a south entry road to the airport; a sixth runway, apron, and taxiways; and support facilities. The Midfield Terminal is scheduled for completion at the end of calendar year 2001.

PURPOSE OF REPORT

This special report is in response to a request from the Joint Legislative Select Committee on the Wayne County Detroit Metropolitan Airport that we perform a preliminary review of the Airport. The Committee identified seven general issue areas for us to consider in our preliminary review. This report contains the results of our preliminary review covering the general issue area of competitive bidding of Airport contracts.

OVERVIEW OF AIRPORT CONTRACTING

Wayne County enters into numerous and diverse contractual agreements on behalf of the Airport. The County engages in traditional contractual agreements for the purchase of goods and services necessary to operate the Airport. Examples of purchased goods include automobiles, maintenance equipment and supplies, office equipment and supplies, emergency medical equipment, uniforms, and firearms. Examples of purchased services include trash disposal, construction, maintenance, landscaping, snow removal, and consulting.

The County also enters into contractual agreements with various concessionaires, who operate revenue-generating services, such as food and beverage, advertising, transportation, and merchandise shops, on Airport property. These concessionaires contractually agree to compensate the County for the privilege of operating an Airport concession. Compensation is typically based on a percentage of concession revenue.

Finally, the County has contractual agreements with the airlines and others who conduct air transportation activities at the Airport. For example, landing fees and charges are levied upon aircraft operated and landed at the Airport. In addition, airlines and other entities lease certain premises and facilities at the Airport.

The Airport contracts under Wayne County purchasing policies. On April 30, 1998, the Wayne County Department of Management and Budget issued a written general policy and procedure statement. The policy encourages competition in County contracting by promoting full and open competition in soliciting offers and awarding County contracts.

Pursuant to the general purchasing policy and procedure statement, the Airport is required to solicit prospective contractors by preparing an invitation for bid (IFB), request for proposal (RFP), or request for qualifications (RFQ). The IFB, RFP, or RFQ is publicized through advertisement, and responses are evaluated. A contractor is selected, and a recommendation of contract award is made to the County Executive. If Wayne County Commission approval is required, the County Executive transmits the proposed contract to the Chairperson of the Commission.

SCOPE OF PRELIMINARY REVIEW

Our procedures were of limited scope. Therefore, our review should not be considered an audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

We requested a listing of all Airport contracts on August 26, 1999. On September 21, 1999, the Airport provided us with a listing of Airport contracts. The majority of Airport contracts can be grouped according to the following classifications:

1. Concession
2. Management/Service (e.g., parking management and trash disposal services)
3. Capital Improvement Program - Construction
4. Capital Improvement Program - Design and Consultant
5. Purchase
6. Airline
7. Lease
8. Construction (non-capital improvement projects)

We initially selected 47 contracts for review. However, the Airport notified us that 1 of the contracts selected from the Airport's listing was not an Airport contract, but rather a Willow Run Airport contract, which we confirmed. In addition, the Airport notified us that another 4 of the contracts that we selected from its contract listing were in fact not Airport contracts. We confirmed for 2 of the 4 contracts that the Airport had not made any payments to these contractors. Our analysis was inconclusive for the remaining 2 contracts (see Analytical Review on page 7).

Of the remaining 42 contracts, we examined 35 contracts (including extensions) for evidence of competitive bidding, Wayne County Commission approval, and contract provision analysis. We reviewed the remaining 7 contracts (including extensions) for Wayne County Commission approval and contract provision analysis. The Airport informed us that the remaining 7 contracts were not subject to competitive bidding for reasons explained in Exhibit E. The 7 contracts include Item 3, Dobbs International Services, Inc. - In-Flight Catering; Item 22, American International, Inc. - Signs and Accessories Change Order; Item 38, Mesaba Aviation, Inc. - Airport Agreement; Item 39, Ford Motor Company - Hangar Lease; Item 40, Nomads, Inc. - Hangar Lease; Item 41, Northwest Airlines - Flight Kitchen Lease; and Item 42, Sky Chefs, Inc. - In-Flight Kitchen and In-Flight Catering.

We examined 9 Concession, 8 Management/Service, 4 Capital Improvement Program - Construction, 10 Capital Improvement Program - Design and Consultant, and 4 Purchase contracts (including extensions) for evidence of competitive bidding, Wayne County Commission approval, and contract provision analysis. We examined an additional 1 Concession, 1 Capital Improvement Program - Construction, 1 Airline, and 4 Lease contracts (including extensions) for Wayne County Commission approval and contract provision analysis.

COMMENTS

Analytical Review

Procedure:

To ensure that the contract listing provided to us represented a complete and accurate accounting of all Airport contracts, we performed analytical review procedures. Using financial information obtained from a computer download of the Airport's expenditure transaction detail, we selected a random sample of vendor payments made by the Airport. We attempted to trace a sample of 20 vendor payments to the listing of contracts.

Comment:

- We traced 8 of the 20 vendor payments to the contract listing. We could not trace the remaining 12 vendor payments to the contract listing.

Procedure:

We judgmentally selected a sample of 10 vendors from the contract listing and examined the Airport's expenditure transaction detail for evidence of payments to the vendors on the contract listing.

Comment:

- All 10 contracts showed payments made to the vendors in at least 1 of the 3 fiscal years from 1995-96 through 1997-98.

Procedure:

Of the 47 contracts we initially selected for review, we encountered 4 that the Airport subsequently informed us were not Airport contracts. We compared these 4 contracts to the computer download of the Airport's expenditure transaction detail. We reviewed the Airport's expenditure transaction detail to determine if payments had been made from Airport funds to these contractors.

Comment:

- We confirmed for 2 of the 4 contracts that the Airport had not made any payments to these contractors (Kaskel Construction and Empire Construction). Our analysis was inconclusive for the remaining 2 contracts (Ajax Materials Corporation and Jorgenson Ford). Although payments had been made to these 2 remaining contractors, they held multiple contracts at the Airport, which were included in the contract listing. The expenditure transaction detail did not provide enough detail to determine which contracts the payments related to.

Solicitation and Competitive Bidding**Background:**

In order to promote full and open competition in Airport contracting and to ensure that the most qualified low cost provider is selected, an IFB, RFP, or RFQ is prepared by the Airport to outline the availability of a contract at the Airport. Contract solicitations are publicized using an IFB, RFP, or RFQ as appropriate. The IFB, RFP, or RFQ is disseminated to potentially qualified contractors, who

have the opportunity to compete for the contract. The lowest cost and/or most qualified party is to be awarded the contract.

Procedure:

We examined all available competitive bidding and solicitation efforts documented in the Airport's files for the 35 contracts subject to competitive bidding. This included testing for the existence and issuance of an IFB, RFP, or RFQ, as well as documentation of completed bids, proposals, qualifications, or bid guarantee checks, which provide surety against default.

We also attempted to verify the number of parties competing for these contracts and the Airport's efforts to publicly advertise Airport contracts for bids and proposals.

Our results are documented in Exhibit A.

Comment:

a. Contract Solicitation

- Of the 35 contract files we examined, 6 (17%) did not include an IFB, RFP, or RFQ to document the Airport's efforts to solicit qualified parties to compete for these contracts.
- Of the 6 contract files, 2 contained evidence that multiple parties competed for the contract. The 2 files contained the actual bidder qualifications submitted by the outside parties competing for the contract.

b. Competition for Contracts

- In 23 (66%) of 35 contracts we examined, the Airport's files contained some internal Airport declaration which indicated that multiple bidders had competed for the contract.
- Nineteen (83%) of the 23 contracts with multiple bidders contained independent evidence (proposals, bids, or qualifications submitted by outside parties competing for the contract) to substantiate that multiple bidders had competed for the contract.

- Three of the 35 contracts received only 1 bid/proposal response and were awarded to the single bidder. Evidence of an IFB or RFP existed for all 3 contracts.
- Two of the 35 contracts were awarded on either a sole source or a nonexclusive basis. Contracts awarded on a nonexclusive basis do not prohibit/bar/restrict concurrent contracts for the same goods and/or services from being held by other contractors. A nonexclusive basis contractor is only one of the successful bidders.

c. Publicizing Contract Solicitations

- Of the 35 contract files we examined, 21 (60%) did not document whether IFBs, RFPs, or RFQs were publicized through advertisement in newspapers, trade journals, etc. Of the 21 files, 6 contained some indication of advertisement. However, there was no evidence contained in the 6 files to support that the advertisements had ever been published (e.g., classified ad, purchase requisition, or invoice).

Contract Renewals, Extensions, and Amendments

Background:

Certain Airport contracts exist for a one-time purchase or service, such as a contract with an auto dealership to purchase vehicles or a contract with a builder to renovate a terminal under the Capital Improvement Program. Other Airport contracts exist for perpetually needed services, including concession-type contracts and service-type contracts, such as trash disposal. Concession and service-type contracts with a particular contractor are for a limited contract period. However, the same contractor is routinely granted a renewal or extension of his/her existing contract beyond the original contract period. Wayne County Commission approval of contracts, as well as renewals or extensions, may be required under various Wayne County ordinances (see Exhibit D).

Sound public policy dictates that both concession and perpetual service contracts should be competitively bid at their inception and periodically re-bid. Concession contractors' capital investment at the Airport may justify a longer term contract.

Nonetheless, concessions should be periodically re-bid to ensure the optimal mix of quality, service, selection, and price for consumers and revenue for the Airport. Similarly, perpetual services should be periodically re-bid to ensure that over time the Airport continues to receive the greatest value for services provided by the best qualified contractor.

Procedure:

For the 35 contracts we examined, we identified 8 concession and 7 perpetual service contracts. We determined how long each contractor has held the contract. Exhibit B shows the number of years that the current concessionaire or perpetual service contractor has held the contract at the Airport. Exhibit B also discloses the number of extensions/renewals granted to the concessionaire or contractor, along with the corresponding number of years and months comprised of extension/renewal periods.

Comment:

- Concession contracts that we examined generally had a much longer period of contract extensions without seeking new bids than did perpetual service contracts. A longer concession contract period may be explained in part by a concessionaire's need to amortize the larger capital investment required of a concession contract over a longer period of time.
- The Airport often re-negotiated concession and perpetual service contracts with the current contractor, granting extensions to the original contract. Of the 15 concession and perpetual service contracts we examined, 13 (87%) had been extended at least once beyond their original contract period. Six of these contracts had been extended 4 or more times, for as many as 42 years (including the original contract period) without being put out for competitive bids (see Exhibit B).
- The Airport documented that the Wayne County Commission had approved 19 (48%) of the 40 extensions for the 15 concession and perpetual service contracts. In addition, the Airport indicated that the Wayne County Road Commission had approved 8 (20%) of the 40 extensions. We found no evidence that the remaining 13 extensions (33%) had been approved by the Wayne County Commission (see Exhibit C).

Wayne County Commission Approval

Background:

Wayne County has entered into many agreements on behalf of the Airport. The Airport, an agency of the County's executive branch, follows Wayne County ordinances and policies on purchasing and contracting. Section 3.115 of the Home Rule Charter of Wayne County assigns the power to approve the making of all contracts by the County to the Wayne County Commission. This Section also empowers the Commission to adopt, amend, or repeal ordinances or resolutions. Section 3.116 of the Charter requires the Commission to establish by ordinance the purchasing policy of the County.

Through various ordinances, the Wayne County Commission has delegated some of its contracting authority to the County Executive. The Commission's general counsel has indicated in the compiler's comments to Section 3.115 of the Charter that certain routine contracting authority is delegated to the County Executive. Requirements pertaining to Commission approval or the Commission's delegation of contracting and purchasing decision authority to the County Executive are represented by a myriad of provisions contained in various County ordinances. We identified multiple County ordinances applicable to the Airport's purchasing and contracting. Exhibit D summarizes the pertinent ordinances we identified.

Generally, certain County ordinances clearly require Commission approval for some Airport contracts. However, it is not always clear which ordinance is applicable to a particular contract, and some contradictory ordinance provisions may both apply to a particular contract, depending upon one's interpretation. However, it appears that most, if not all, of the 42 contracts we examined for Commission approval constitute a "major" contract in dollar value terms under the Purchasing Ordinance (see Exhibit D).

Exhibit C lists and describes each agreement/extension period for the 42 contracts we examined and shows whether Commission resolution authorizing the agreement period was provided.

Comment:

- It is not consistently clear under County ordinances when Commission approval is required or not required for a particular agreement or extension period.
- Of the 42 agreements we examined, 16 (38%) had at least 1 extension period. Nine (21%) of the 42 agreements had 2 or more extension periods. Six (67%) of the 9 agreements had at least 1 extension period, but not all, approved by the Commission.
- The Airport provided documentation regarding Commission approval for 51 (55%) of 92 agreement periods examined. In addition, the Airport indicated that the Wayne County Road Commission had approved 16 (17%) of the 92 agreement periods examined. The Airport also indicated that Commission approval was not required for 11 (12%) of the 92 agreement periods examined.

Contract Provision Analysis**Procedure:**

We requested and obtained a copy of the written agreement for 42 contracts. We summarized the chronology, contract provisions, competitive award, and Wayne County Commission resolution for each contract in Exhibit E.

Comment:

- See Exhibit E for details.

Requests for Information**Background:**

Since August 20, 1999, the Office of the Auditor General has been requesting various information from the Airport, including information on contracts and competitive bidding. On January 25, 2000, we presented to the Joint Legislative Select Committee an itemized listing of outstanding requests for information that

the Airport had not yet provided to us. Pursuant to the Committee's January 25, 2000 motion, the Airport provided additional information which was incorporated into our draft report on competitive bidding of contracts.

The draft report was shared with the Airport on February 14, 2000 and February 17, 2000. The draft report identified several elements of our questions that had not been completely answered as of the date of the draft report. In response, the Airport provided additional information regarding competitive bidding of contracts on February 24, 2000.

The Airport has provided much of the information requested. As chronicled below, in certain instances, the information had to be requested repeated times. In addition, after examining all the information provided to us, we have identified certain elements of our questions that have not been completely answered.

Comment:

- Generally, our requests for information asked the Airport to provide either documentation that requested contracts were subject to the competitive bidding process or documented justification if a contract had not been subjected to the competitive bidding process. All but 2 (see Exhibits K-1 and L-1) of our 35 requests for information asked the Airport to provide us with documented justification of why a contract had not been subjected to a competitive solicitation process (see Exhibits F-1, G-1, H-1, I-1, and J-1). With one exception (see Exhibit J2), the Airport did not originally address this element of our request in its response (see Exhibits F - J). Upon reviewing our draft report, which indicated the omission, the Airport provided further information on February 24, 2000. To date, we have not received justification of why one contract was not competitively bid (Exhibit E, Item 7). In addition, certain competitive bidding information was not provided for some contracts (see Exhibit A). We included in Exhibit E any explanations that the Airport provided for the omissions contained in Exhibit A.
- Generally, our requests for information on contracts and competitive bidding asked the Airport to either provide the Commission resolution authorizing the contract or document why no Commission approval was required (see Exhibits F - J). As indicated in Exhibit C, a Commission resolution was not always provided. Originally, the Airport did not document in its response the reasons

why Commission approval was not obtained (see Exhibits F - J). Upon reviewing our draft report, which indicated the omission, the Airport provided further information on February 24, 2000. To date, we have not been provided documentation of why Commission approval was not obtained for 14 separate agreement periods, covering 7 separate contracts (see Exhibit E, Item 2 [2 periods], Item 3 [1 period], Item 6 [2 periods], Item 8 [1 period], Item 12 [5 periods], Item 14 [2 periods], and Item 16 [1 period]).

- In response to our request for Commission resolutions pertaining to Capital Improvement Program (CIP) contracts (see Exhibits H - I), the Airport instructed us to review its project manager's files (see Exhibits H-3 and H-4). Although Commission resolutions or documented reasons why a resolution was not required were specific elements of our request to the Airport, we were informed by the project manager that this information was not contained in the files provided. Thus, we had to re-request the information on November 4, 1999 (see Exhibit M-1).

On December 14, 1999, the Airport asked us for identification numbers for the contracts. On January 5, 2000, the Airport provided 3 of 7 requested resolutions (see Exhibit M-2). However, 2 of the 3 provided resolutions were not for the contracts we had requested. Giffels Hoyem Basso Associates, Inc. (Exhibit E, Item 28), was an initial contract for an airfield lighting study. We were instead provided a resolution authorizing Amendment 1 to the contract. The Pickering Firm (Exhibit E, Item 30) was an asbestos survey and removal contract. We were instead provided a resolution pertaining to Pickering Environmental Consultants, Inc., an agreement relating to environmental consulting.

On February 10, 2000, the Airport provided the correct resolutions for Giffels Hoyem Basso Associates, Inc., and The Pickering Firm (see Exhibit N). In addition, resolutions for 3 of the remaining 4 contracts were also provided at that time. The Airport indicated that no resolution existed for the fourth contract (Waterland Trucking Services, Inc.) because the contract fell under "delegated authority" from the Commission. The Airport provided us

documentation supporting the delegation of approval authority on February 24, 2000.

We encountered a similar situation with our October 26, 1999 request for 2 CIP contracts, bidding, and Commission resolution information (see Exhibit I-1). In its January 5, 2000 response (see Exhibit I-2), the Airport referred us to its project manager for the two CIP files. Commission resolutions were not contained in the project manager's files. Upon reviewing our draft report which indicated the omission, the Airport provided a Commission resolution for one contract and documentation supporting the delegation of approval authority for the other contract on February 24, 2000.

- Our October 26, 1999 request included two design and consultant contracts (Farbman/Stein and The Farbman Group). The request specifically asked that any amendments and change orders to these contracts be included with the Airport's response (see Exhibit I-1). The Airport provided contract information on Farbman/Stein and The Farbman Group on January 5, 2000. We learned that there were two amendments to the Farbman/Stein contract. The Farbman Group contract was actually the second amendment to the Farbman/Stein contract. The Airport did not provide the first amendment in its January 5, 2000 response as requested. However, upon reviewing our draft report which indicated the omission, the Airport provided the first amendment on February 24, 2000.

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DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Competitive Solicitation Information
For Concession, Management/Service, Construction, Consultant, and Purchase Agreements

	Concessionaire/Contractor/Consultant/Vendor	Was there an IFB/RFP/RFQ in the file?
1.	Canteen Vending Services	Yes (IFB dated 1997)
2.	Detroit Airport Advertising Company	Yes (RFP dated 1999) Note 1
3.	Host International, Inc.	Yes (RFP dated 1989)
4.	Metro Cars, Inc.	Yes (RFP canceled 1989)
5.	Metro Service Center, Inc.	Yes (RFP dated 1989)
6.	Michigan Host, Inc. (Food and Beverage)	No
7.	Michigan Host, Inc. (Hotel Operation)	Yes (IFB dated 1967)
8.	National Car Rental System, Inc. (nonexclusive agreement)	Yes (IFB dated 1998)
9.	Paradies - Metro Ventures, Inc.	Yes (RFP dated 1990)
10.	American Computer & Communications	Yes (RFP dated 1998)
11.	American International, Inc. (Maintenance Assistance)	Yes (RFP dated 1997)
12.	Jack B. Anglin Company	Yes (RFP dated 1999)
13.	APCOA, Inc.	Yes (RFP dated 1999)
14.	Automated Entrance Systems, Inc.	Yes (IFB dated 1996)
15.	City Environmental Services, Inc.	Yes (RFP dated 1996) Note 4
16.	Torre & Bruglio, Inc. (Landscape Maintenance)	Yes (RFQ dated 1994)
17.	Torre & Bruglio, Inc. (Emergency Snow Removal)	No
18.	American International, Inc. (Airfield Lighting and Signage)	Yes (IFB dated 1994)
19.	American International, Inc. (Toilet Room Renovation)	Yes (IFB dated 1998)
20.	American International, Inc. (Runway Concrete Replacement)	Yes (IFB dated 1997)
21.	Waterland Trucking Service, Inc.	Yes (IFB dated 1996)
22.	Consulting Engineering Associates	Yes (RFQ dated 1995)
23.	Farbman / Stein	Yes (RFP dated 1990)
24.	Ghafari Associates	Yes (RFQ dated 1995)
25.	Giffels Hoyem Basso Associates, Inc. (Master Utility Project)	No
26.	Giffels Hoyem Basso Associates, Inc. (Runway Lighting/NAVAIDS Study)	Yes (RFQ dated 1987)
27.	JJR, Inc.	No
28.	The Pickering Firm	No
29.	Professional Services Industries	Yes (RFQ dated 1991)
30.	The Farbman Group	No
31.	The Program Managers Team	Yes (RFQ dated 1998)
32.	Cuda Uniform, Inc.	Yes (IFB dated 1995)
33.	K.J. Law Engineers	Yes (IFB dated 1997)
34.	Riverside Ford Sales, Inc.	Yes (IFB dated 1998)
35.	Snethkamp Jeep-Eagle, Inc.	Yes (IFB dated 1995)

Note 1: This contractor is no longer under contract. A new contractor, Palace Sports and Entertainment, was awarded the contract on January 31, 2000. The 1999 RFP related to the January 31, 2000 contract award. There was no prior bid information provided pertaining to this contractor. The Airport indicated that bid information could not be located due to the age of the documents (see Exhibit J-2).

Note 2: The Airport did not provide documentation regarding how many companies competed for this agreement.

Note 3: Six (17%) of the 35 agreement files contained a writing that called for bids, proposals, or qualifications, but there was no evidence (e.g., classified ad, purchase requisition, or invoice) that the writing had been published.

Note 4: This contractor is no longer under contract. A new contractor, Standard Disposal Service, was awarded the contract on September 1, 1997. The Airport provided some bidding information pertaining to the City Environmental Services, Inc., contract. However, the 1996 RFP that the Airport provided related to the subsequent award to Standard Disposal Service.

How many companies competed for this contract according to the file?	Was the number of companies competing supported by proposals, bids, qualifications, etc.	Did the file document that solicitation of competitive bids was publicized through advertisement?
6	Yes (6 bids)	Yes (1997)
1 (Note 2)	No	No
5	Yes (5 bid guarantee checks)	Yes (1989)
4	No	Yes (1989)
1 (Note 2)	No	No (1989, Note 3)
1 (Note 2)	No	No
1 (Note 2)	No	No
1	Yes (1 bid)	Yes (1998)
3	Yes (3 proposals)	Yes (1990)
1 (single response)	Yes (1 proposal)	No
5	Yes (5 proposals)	Yes (1997)
1 (single response)	No	Yes (1999)
3	Yes (3 proposals)	Yes (1999)
2	Yes (2 bids)	Yes (1996)
6	No	No
2	Yes (2 qualifications)	Yes (1994)
1	Yes (1 bid)	No
3	Yes (3 bids)	No (1994, Note 3)
4	Yes (4 bids)	No (1998, Note 3)
7	Yes (7 bids)	No (1997, Note 3)
6	Yes (6 bids)	No (1996, Note 3)
12	Yes (12 qualifications)	No
5	Yes (5 bids)	Yes (1990)
9	Yes (9 qualifications)	No (1995, Note 3)
5	Yes (5 qualifications)	No
7	No (1 qualification)	No
5	Yes (5 qualifications)	No
1 (Note 2)	No	No
11	Yes (11 qualifications)	No
1	No	No
3	No (2 qualifications)	No
1 (sole source)	Yes (1 bid-quote)	No
1 (single response)	Yes (1 bid)	Yes (1997)
5	Yes (5 bids)	Yes (1998)
2	Yes (2 bids)	Yes (1995)

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Agreement Period Summary
For Concession and Management/Service Agreements
As of January 31, 2000

Type of Concession	Number of Years and Months the Current Concessionaire Has Held the Agreement	Number of Extensions/Renewals Granted During This Period	Number of Years and Months Comprised of Extensions/Renewals
1. Airport Advertising (Note 1)	34 years, 3 month	4	19 years, 4 months
2. Automobile Service Station	22 years, 1 month	6	17 years, 1 month
3. Export / Duty-Free Shops	9 years, 7 months	1	4 years, 7 months
4. Food and Beverage	42 years, 4 months	4	31 years, 4 months
5. Hotel Operation	32 years, 10 months	5	22 years, 10 months
6. Luxury Sedan Taxi Service	9 years, 1 month	1	4 years, 1 month
7. News/General Merchandise Shops	8 years, 10 months	0	0
8. Vending Machines	1 year, 9 months	0	0

Type of Management/Service	Number of Years and Months the Current Contractor Has Held the Agreement	Number of Extensions/Renewals Granted During This Period	Number of Years and Months Comprised of Extensions/Renewals
1. Automatic Door Maintenance	3 years, 7 months	1	0 years, 7 months
2. Landscape Maintenance (Note 2)	4 years, 10 months	3	2 years, 6 months
3. Maintenance Assistance (Note 3)	6 years, 8 months	6	3 years, 8 months
4. NOTAM Maintenance	1 year, 1 month	1	0 years, 1 month
5. Parking Management (Note 4)	18 years, 7 months	4	13 years, 7 months
6. Snow Removal (Note 2)	4 years, 3 months	1	1 year
7. Trash Disposal (Note 5)	4 years, 9 months	3	1 year, 9 months

Note 1: This contractor is no longer under contract. A new contractor, Palace Sports and Entertainment, was awarded the contract on January 31, 2000.

Note 2: The Airport indicated that this contract was re-bid in 1999 and subsequently awarded to the same contractor. The contractor was initially awarded the contract in 1995.

Note 3: This contract was re-bid in 1997 and subsequently awarded to the same contractor. The contractor was initially awarded the contract in 1993.

Note 4: This contract was re-bid in 1999, awarded to the same contractor, and subsequently rescinded. The contractor continues to manage parking at the Airport while the status of the contract is litigated.

Note 5: This contractor is no longer under contract. A new contractor, Standard Disposal Service, was awarded the contract on September 1, 1997.

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DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Wayne County Commission Resolutions Authorizing
Concession, Management/Service, Construction, Consultant, Purchase, Airline, and Lease Agreements

Concession Agreements

	Concessionaire	Agreement
1.	Canteen Vending Services (Vending Machines)	Initial Agreement
2.	Detroit Airport Advertising Company (Airport Advertising)	Initial Agreement
	Detroit Airport Advertising Company (Airport Advertising)	Extension Period
	Detroit Airport Advertising Company (Airport Advertising)	Unknown (Note 1)
	Detroit Airport Advertising Company (Airport Advertising)	Extension Period
	Detroit Airport Advertising Company (Airport Advertising)	Unknown (Note 1)
3.	Dobbs International Services, Inc. (In-Flight Catering)	Initial Agreement
	Dobbs International Services, Inc. (In-Flight Catering)	Extension Period
	Dobbs International Services, Inc. (In-Flight Catering)	Unknown (Note 1)
	Dobbs International Services, Inc. (In-Flight Catering)	Extension Period
	Dobbs International Services, Inc. (In-Flight Catering)	Unknown (Note 1)
4.	Host International, Inc. (Export/Duty-Free Shops)	Initial Agreement
	Host International, Inc. (Export/Duty-Free Shops)	Extension Period
5.	Metro Cars, Inc. (Luxury Sedan Taxis)	Initial Agreement
	Metro Cars, Inc. (Luxury Sedan Taxis)	Extension Period
6.	Metro Service Center, Inc. (Automobile Service Station)	Initial Agreement
	Metro Service Center, Inc. (Automobile Service Station)	Extension Period
	Metro Service Center, Inc. (Automobile Service Station)	Unknown (Note 1)
	Metro Service Center, Inc. (Automobile Service Station)	Unknown (Note 1)
	Metro Service Center, Inc. (Automobile Service Station)	Extension Period
	Metro Service Center, Inc. (Automobile Service Station)	Extension Period
	Metro Service Center, Inc. (Automobile Service Station)	Extension Period
7.	Michigan Host, Inc. (Food and Beverage)	Initial Agreement
	Michigan Host, Inc. (Food and Beverage)	Extension Period
	Michigan Host, Inc. (Food and Beverage)	Extension Period
	Michigan Host, Inc. (Food and Beverage)	Extension Period
	Michigan Host, Inc. (Food and Beverage)	Extension Period
8.	Michigan Host, Inc. (Hotel Operation)	Initial Agreement
	Michigan Host, Inc. (Hotel Operation)	Extension Period
	Michigan Host, Inc. (Hotel Operation)	Extension Period
	Michigan Host, Inc. (Hotel Operation)	Extension Period
	Michigan Host, Inc. (Hotel Operation)	Extension Period
	Michigan Host, Inc. (Hotel Operation)	Unknown (Note 1)
9.	National Car Rental System, Inc. (Car Rental)	Initial Agreement
10.	Paradies - Metro Ventures, Inc. (News/General Merchandise Shops)	Initial Agreement

This exhibit continued on next page.

Exhibit C

Agreement Period	Was documentation provided to support that Commission resolution authorized agreement period?
05/11/98 - 05/11/01	Yes
11/04/65 - 09/30/80	N/A (Note 2)
10/01/80 - 09/30/90	N/A (Note 2)
10/01/90 - 07/31/92	No
08/01/92 - 09/30/99	Yes
10/01/99 - 01/30/00	No
07/23/71 - 07/22/72	N/A (Note 2)
07/23/72 - 07/22/73	N/A (Note 2)
07/23/73 - 07/22/85	N/A (Note 2)
07/23/85 - 07/22/86	Yes
07/23/86 - Present	No
06/27/90 - 06/27/95	Yes
06/28/95 - 08/31/00	Yes
01/01/91 - 12/31/95	Yes
01/01/96 - 12/31/00	Yes
12/28/77 - 12/31/82	N/A (Note 2)
01/01/83 - 12/31/87	N/A (Note 2)
01/01/88 - 12/31/92	No
01/01/93 - 03/31/96	No
04/01/96 - 06/30/97	Yes
07/01/97 - 06/30/99	Yes
07/01/99 - Present	Yes
10/03/57 - 09/30/68	N/A (Note 2)
10/01/68 - 09/30/78	N/A (Note 2)
10/01/78 - 09/30/93	N/A (Note 2)
10/01/93 - 09/30/98	Yes
10/01/98 - 09/30/03	Yes
04/15/67 - 04/14/77	N/A (Note 2)
04/15/77 - 01/01/78	N/A (Note 2)
01/02/78 - 09/30/82	N/A (Note 2)
10/01/82 - 09/30/93	N/A (Note 2)
10/01/93 - 09/30/98	N/A (Note 2)
10/01/98 - Present	No
11/01/98 - 10/31/02	Yes
04/01/91 - 02/28/01	Yes

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Wayne County Commission Resolutions Authorizing

Concession, Management/Service, Construction, Consultant, Purchase, Airline, and Lease Agreements

*Continued***Management/Service Agreements**

Contractor		Agreement
1.	American Computer & Communications (NOTAM Maintenance)	Initial Agreement
	American Computer & Communications (NOTAM Maintenance)	Extension/Renewal Period
2.	American International, Inc. (Maintenance Assistance)	Initial Agreement
	American International, Inc. (Maintenance Assistance)	Extension/Renewal Period
	American International, Inc. (Maintenance Assistance)	Unknown (Note 1)
	American International, Inc. (Maintenance Assistance)	Extension/Renewal Period
	American International, Inc. (Maintenance Assistance)	Extension/Renewal Period
	American International, Inc. (Maintenance Assistance)	Unknown (Note 1)
	American International, Inc. (Maintenance Assistance)	New Contract Period (Re-bid 1997)
	American International, Inc. (Maintenance Assistance)	Extension/Renewal Period
3.	Jack B. Anglin Company (Snow Removal)	Initial Agreement
	Jack B. Anglin Company (Snow Removal)	Extension/Renewal Period
	Jack B. Anglin Company (Snow Removal)	New Contract Period (Re-bid 1999)
4.	Delaware North Companies, Inc. (APCOA Parent Company)	Initial Agreement
	APCOA, Inc. (Parking Management)	Unknown (Note 1)
	APCOA, Inc. (Parking Management)	Extension Period
	APCOA, Inc. (Parking Management)	Extension Period
	APCOA, Inc. (Parking Management)	Extension Period
	APCOA, Inc. (Parking Management)	New Contract Period (Re-bid 1999)
5.	Automated Entrance Systems, Inc. (Automatic Door Maintenance)	Initial Agreement
	Automated Entrance Systems, Inc. (Automatic Door Maintenance)	Extension/Renewal Period
6.	City Environmental Services, Inc. (Trash Disposal)	Initial Agreement
	City Environmental Services, Inc. (Trash Disposal)	Extension/Renewal Period
	City Environmental Services, Inc. (Trash Disposal)	Extension Period
	City Environmental Services, Inc. (Trash Disposal)	Extension Period
7.	Torre & Bruglio, Inc. (Landscape Maintenance)	Initial Agreement
	Torre & Bruglio, Inc. (Landscape Maintenance)	Extension/Renewal Period
	Torre & Bruglio, Inc. (Landscape Maintenance)	Unknown (Note 1)
	Torre & Bruglio, Inc. (Landscape Maintenance)	Extension Period
	Torre & Bruglio, Inc. (Landscape Maintenance)	Unknown (Note 3)
8.	Torre & Bruglio, Inc. (Emergency Snow Removal)	Initial Agreement

This exhibit continued on next page.

Exhibit C

Agreement Period	Was documentation provided to support that Commission resolution authorized agreement period?
01/01/99 - 12/31/99	Yes
01/01/00 - 12/31/00	Yes
06/01/93 - 05/31/94	Yes
06/01/94 - 05/31/95	No
06/01/95 - 03/24/96	No
03/25/96 - 03/24/97	No
03/25/97 - 11/30/97	No
12/01/97 - 12/31/97	No
01/01/98 - 12/31/99	Yes
01/01/00 - 12/31/00	Yes
11/15/95 - 04/15/98	Yes
11/15/98 - 04/15/99	Yes
11/15/99 - 04/15/02	Yes
07/01/81 - 06/30/86	N/A (Note 2)
07/01/86 - 09/30/88	No
10/01/88 - 09/30/91	Yes
10/01/91 - 06/01/92	Yes
06/02/92 - 11/30/98	No
12/01/98 - 11/30/01	Yes
07/01/96 - 06/30/99	Yes
07/01/99 - 06/30/00	Yes
12/01/92 - 11/30/95	Yes
12/01/95 - 11/30/96	No
12/01/96 - 05/30/97	Yes
06/01/97 - 08/31/97	Yes
04/01/95 - 04/30/97	Yes
05/01/97 - 04/01/99	Yes
04/02/99 - 04/30/99	Yes
05/01/99 - 10/31/99	Yes
11/01/99 - 10/31/01	Yes
01/07/99 - 01/15/99	Yes

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Wayne County Commission Resolutions Authorizing
Concession, Management/Service, Construction, Consultant, Purchase, Airline, and Lease Agreements
Continued

Capital Improvement Program - Construction Agreements

Contractor	Agreement
1. American International, Inc. (Airfield Lighting and Signage)	Initial Agreement
2. American International, Inc. (Toilet Room Renovations)	Initial Agreement
3. American International, Inc. (Replace Runway Concrete)	Initial Agreement
4. American International, Inc. (Signs and Accessories)	Change Order
5. Waterland Trucking Service, Inc. (Employee Parking Lot Expansion)	Initial Agreement

Capital Improvement Program - Design and Consultant Agreements

Consultant	Agreement
1. Consulting Engineering Associates (Electrical and Mechanical Utilities)	Initial Agreement
2. Farbman/Stein (Land Acquisition Assistance)	Initial Agreement
3. Ghafari Associates (Residential Sound Insulation Program)	Initial Agreement
4. Giffels Hovem Basso Associates, Inc. (Master Utility Project)	Amendment
5. Giffels Hovem Basso Associates, Inc. (Runway Lighting/NAVAIDS Study)	Initial Agreement
6. JJR, Inc. (Crosswinds Marsh Wetland Preserve)	Initial Agreement
7. The Pickering Firm (Asbestos Survey and Removal Preparation)	Initial Agreement
8. Professional Services Industries (Testing and Evaluation Services)	Initial Agreement
9. The Farbman Group	Amendment
10. The Program Managers Team (Construction Management)	Initial Agreement

Purchase Agreements

Vendor	Agreement
1. Cuda Uniform, Inc. (Police Uniforms)	Initial Agreement
2. K.J. Law Engineers (Minivan With Runway Friction Tester)	Initial Agreement
3. Riverside Ford Sales, Inc. (Fourteen 4x4 Utility Vehicles)	Initial Agreement
4. Snethkamp Jeep-Eagle, Inc. (Sixteen 4x4 Utility Vehicles)	Initial Agreement

Airline Agreements

Airline	Agreement
1. Mesaba Aviation, Inc. (Airport Agreement)	Initial Agreement

This exhibit continued on next page.

Agreement Date	Was documentation provided to support that Commission resolution authorized agreement period?
08/08/94	N/A (Note 4)
08/17/98	N/A (Note 4)
05/06/97	N/A (Note 4)
11/01/95	N/A (Note 4)
08/01/96	N/A (Note 4)

Agreement Date	Was documentation provided to support that Commission resolution authorized agreement period?
06/07/96	Yes
02/21/91	Yes
11/20/95	Yes
03/16/89	Yes
11/02/91	Yes
12/12/90	Yes
04/21/88	Yes
02/24/92	Yes
10/15/98	Yes
09/01/98	Yes

Agreement Date	Was documentation provided to support that Commission resolution authorized agreement period?
12/01/95	Yes
09/15/97	Yes
07/08/98	Yes
03/07/95	Yes

Agreement Date	Was documentation provided to support that Commission resolution authorized agreement period?
09/11/96 - 01/01/09	N/A (Note 5)

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Wayne County Commission Resolutions Authorizing
Concession, Management/Service, Construction, Consultant, Purchase, Airline, and Lease Agreements
Continued

Lease Agreements

	Lessee	Agreement
1.	Ford Motor Company (Hangar Lease)	Initial Agreement
	Ford Motor Company (Hangar Lease)	Extension Period
2.	Nomads, Inc. (Hangar Lease)	Initial Agreement
	Nomads, Inc. (Hangar Lease)	Extension Period
3.	Northwest Airlines (Flight Kitchen Lease)	Initial Agreement
4.	Sky Chefs, Inc. (In-Flight Kitchen Lease and In-Flight Catering)	Initial Agreement

Note 1: Agreement arrangement (if any) unknown. The Airport did not provide documentation for this period.

Note 2: The Airport indicated that this contract was authorized by the Wayne County Road Commission under the former Wayne County Charter.

Note 3: Agreement arrangement unknown. The Airport indicated that this contract was re-bid in 1999 and subsequently awarded to the same contractor.

Note 4: The Airport asserted that this agreement did not have a Commission resolution because it fell under "delegated authority" by the Wayne County Commission to the Director of Airports for Capital Improvement Program (CIP) projects. In support of its assertion, the Airport cited Section 8 of the Wayne County Contracting Ordinance (84-143) and Subsection 41(F) of the Wayne County Appropriations Ordinance (99-497). These ordinances authorize the County Executive to execute contracts to implement projects within an annual Capital Outlay Plan approved by the Wayne County Commission. The Airport indicated that this project was included in an annual Capital Outlay Plan approved by the Wayne County Commission.

Note 5: The Airport asserted that a Wayne County Commission resolution is not required for leases on Airport property. In support of its assertion, the Airport cited Subsection 5(e) of the Wayne County Airport Ordinance (91-466). This ordinance authorizes the Director of Airports, subject to approval of the County Executive, to enter into agreements for use and lease of Airport building space, building sites, and Airport land.

Exhibit C

Agreement Date	Was documentation provided to support that Commission resolution authorized agreement period?
12/21/61 - 12/01/92	N/A (Note 5)
12/02/92 - 11/30/07	N/A (Note 5)
11/16/78 - 12/31/98	N/A (Note 5)
01/01/99 - 12/31/04	N/A (Note 5)
04/21/86 - 04/20/16	Yes
06/01/86 - 05/31/02	N/A (Note 5)

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT
Wayne County Ordinance Sections Pertaining to
Commission Approval and Award of
Contract/Agreement by Competitive Process

Source: Wayne County Airport, Appropriations, Contracting, and Purchasing Ordinances.

Sections applicable to initial agreements

1. Section 2(e) of the Airport Ordinance (91-466) - Commission approval is required if a concession agreement is awarded by a noncompetitive selection process.
2. Section 9 of the Airport Ordinance (91-466) - Commission approval is required for purchases of goods and services not made through a competitive bidding process or a competitive solicitation procedure established by the County's Purchasing Director.
3. Section 5(e) of the Airport Ordinance (91-466) - The Director of Airports is expressly authorized, subject to approval by the County Executive, to enter into agreements for use and lease of airport building space, building sites, and airport land.
4. Section 45(C) of the Appropriations Ordinance (98-544) - Commission approval is required for all contracts in excess of \$50,000.
5. Section 1(D) of the Contracting Ordinance (84-143) - The authority to execute contracts for the sale or lease of County real property or for the purchase or lease of real property for County use was not delegated by the Commission to the County Executive (meaning that Commission approval is required).
6. Section 1(E) of the Contracting Ordinance (84-143) - The authority to execute contracts in excess of \$50,000 for construction, re-construction, renovation or other improvement of County property was not delegated by the Commission to the County Executive.
7. Section 1(F) of the Contracting Ordinance (84-143) - The authority to execute a sole source procurement which exceeds a total cost of \$5,000 was not delegated by the Commission to the County Executive. A competitive solicitation for which only one conforming response is received is deemed to be a sole source procurement.
8. Section 1(G) of the Contracting Ordinance (84-143) - The authority to execute a professional services contract for more than \$15,000 per year was not delegated by the Commission to the County Executive.

9. Section 2(A)(3) of the Contracting Ordinance (84-143) - The authority to execute a contract was not delegated by the Commission to the County Executive if the contract is for a period exceeding one year.
10. Section 2(A)(4) of the Contracting Ordinance (84-143) - The authority to execute a contract was not delegated by the Commission to the County Executive if the competitive solicitation provisions of the Purchasing Ordinance have not been followed.
11. Section 5 of the Purchasing Ordinance (94-457) - Except as provided in the Appropriations Ordinance and in the Contracting Ordinance, the County's Purchasing Director shall enter into the following contracts and amendments only with Commission approval: Major contracts for goods and services; all contracts for personal services, regardless of dollar value; and all purchases and sales of and other transfers of interest in County land (see page 4 of the Purchasing Ordinance for thresholds for determining a major contract).

Sections specifically applicable to renewals/ extensions/ amendments

1. Section 3(1) of the Contracting Ordinance - Commission approval is required when the option or probability of extension and renewal do not form an express and prominent provision of the original solicitation.
2. Section 3(2) of the Contracting Ordinance - Commission approval is required when the renewal contract varies more than 10% from the service, staffing, or cost levels of the current contract.
3. Section 3(3) of the Contracting Ordinance - Commission approval is required if renewal is for greater than 1 year.
4. Section 45(D) of the Appropriations Ordinance - Commission approval is required for all contract amendments exceeding \$50,000 or 10% of existing contract, with the exception of nonprofessional service contracts under airport construction projects.
5. Section 45(H) of the Appropriations Ordinance - Commission approval is required before exercising any County option to renew or extend an existing or subsequently approved contract for more than 90 days. Commission approval is required to renew or extend a contract where no specific period of renewal is specified in the contract.
6. Section 45(I) of the Appropriations Ordinance - Notwithstanding any provision of the Contracting Ordinance to the contrary, Commission approval is required to extend operations without a contract (month-to-month extension) for more than a total of 120 days after expiration of the original lease contract or concession agreement.

Section specifically applicable to professional services agreements

1. Section 2(a)(6)(D) of the Purchasing Ordinance - The competitive solicitation requirements are nonapplicable because the services to be performed are professional in nature.

CONTRACT LISTING AND REVIEW SUMMARIES

Concession Agreements

	<u>Page</u>
1. Canteen Vending Services - Vending Machine Concession	35
2. Detroit Airport Advertising Company - Airport Advertising Concession	36
3. Dobbs International Services, Inc. - In-Flight Catering	37
4. Host International, Inc. - Export/Duty-Free Shops	39
5. Metro Cars, Inc. - Luxury Sedan Taxi Service	41
6. Metro Service Center, Inc. - Automobile Service Station Concession	42
7. Michigan Host, Inc. - Food and Beverage Concession	44
8. Michigan Host, Inc. - Hotel Operation Concession	47
9. National Car Rental System, Inc. - Car Rental Concession	48
10. Paradies - Metro Ventures, Inc. - News/General Merchandise Shops	49

Management/Service Agreements

11. American Computer & Communications - NOTAM Maintenance	50
12. American International, Inc. - Maintenance Assistance Services	51
13. Jack B. Anglin Company - Snow Removal Services	53
14. APCOA, Inc. - Parking Management Services	54
15. Automated Entrance Systems, Inc. - Automatic Door Maintenance	57
16. City Environmental Services, Inc. - Trash Disposal Services	58
17. Torre & Bruglio, Inc. - Landscape Maintenance	60
18. Torre & Bruglio, Inc. - Emergency Snow Removal	62

Capital Improvement Program - Construction Agreements

19. American International, Inc. - Airfield Lighting and Signage	63
20. American International, Inc. - Toilet Room Renovations	64
21. American International, Inc. - Runway Concrete Replacement	67
22. American International, Inc. - Signs and Accessories	69
23. Waterland Trucking Service, Inc. - Employee Parking Lot Expansion	70

Capital Improvement Program - Design and Consultant Agreements

24. Consulting Engineering Associates - Electrical and Mechanical Utilities	71
25. Farbman/Stein - Land Acquisition Assistance	72
26. Ghafari Associates - Residential Sound Insulation Program	73
27. Giffels Hoyem Basso Associates, Inc. - Master Utility Project	74
28. Giffels Hoyem Basso Associates, Inc. - Runway Lighting/NAVAIDS Study	75
29. JJR, Inc. - Crosswinds Marsh Wetland Preserve	76
30. The Pickering Firm - Asbestos Survey and Removal Preparation	76
31. Professional Services Industries - Testing and Evaluation Services	77
32. The Farbman Group	78
33. The Program Managers Team - Construction Management	79

Purchase Agreements

34. Cuda Uniform, Inc. - Police Uniform Purchase	80
35. K.J. Law Engineers - Minivan With Runway Friction Tester	81
36. Riverside Ford Sales, Inc. - Fourteen 4x4 Utility Vehicles	81
37. Snethkamp Jeep-Eagle, Inc. - Sixteen 4x4 Utility Vehicles	83

Airline Agreements

38. Mesaba Aviation, Inc. - Airport Agreement	84
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Lease Agreements

39. Ford Motor Company - Hangar Lease	86
40. Nomads, Inc. - Hangar Lease	87
41. Northwest Airlines - Flight Kitchen Lease	88
42. Sky Chefs, Inc. - In-Flight Kitchen Lease and In-Flight Catering	89

Concession Agreements

1. Canteen Vending Services - Vending Machine Concession

Chronology

May 11, 1998 - May 11, 2001 Initial agreement

- Contract execution date was May 11, 1998; Commission resolution was dated May 7, 1998.

Contract Provisions

Canteen Vending Services was granted the exclusive right to operate the vending machine concession within the public areas of the Berry International Terminal, the Davey Terminal, the Smith Terminal, the Central Services Building, and certain concourses.

Prices charged for products dispensed were to be comparable to other U.S. airports of similar size.

Canteen Vending Services was to pay the County the greater of a minimum annual guarantee of \$100,000 or an amount equal to 33% of gross revenue from snack sales and 35% of gross revenue from beverage sales.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; an invitation for bid; completed bids from six companies; bid opening sign-in sheet; and the tabulation of bids.

After reviewing the tabulation of bids and other pertinent information, the Airport awarded the contract to Canteen Vending Services based on its offering the best combination of minimum annual guarantee and percentage of gross revenue.

Commission Resolution

Wayne County Commission Resolution 98-295 authorized this agreement.

2. Detroit Airport Advertising Company - Airport Advertising Concession

Chronology

1. November 4, 1965 - September 30, 1980 Initial agreement
 - Contract execution date was November 4, 1965. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. October 1, 1980 - September 30, 1990 Amendatory agreement
 - Contract execution date was October 30, 1980. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
3. October 1, 1990 - July 31, 1992 Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period. The Airport indicated that this period was a month-to-month extension while the 1992 amendatory agreement was finalized.
4. August 1, 1992 - September 30, 1999 Amendatory agreement
 - Contract execution date was September 16, 1992; Commission resolution was dated September 16, 1992.
5. October 1, 1999 - January 30, 2000 Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period. The Airport indicated that this period was a month-to-month extension until either a new company was chosen or a new contract was awarded to the current contractor under a competitive bid process.
6. January 31, 2000 - February 28, 2002
 - Contract was bid during 1999 and awarded to a different company on January 31, 2000.

Contract Provisions

The Detroit Airport Advertising Company was granted the exclusive right to place and maintain paid commercial advertising by means of information centers, display stands, television screens, display cases, baggage carts, and any other types of advertising display devices.

Competitive Award

The Airport did not provide any documentation indicating that the County had awarded this agreement through a competitive process prior to January 31, 2000. The Airport notified us that the advertising contract was competitively bid in 1999 and subsequently awarded to Palace Sports and Entertainment on January 31, 2000.

Commission Resolution

The Airport indicated that the contracts executed in 1965 and 1980 were approved by the Wayne County Road Commission under the former Wayne County Charter. The Airport did not provide a Wayne County Commission resolution for the periods October 1, 1990 through July 31, 1992 or October 1, 1999 through January 30, 2000. Wayne County Commission Resolution 92-538 authorized the contract from August 1, 1992 through September 30, 1999.

Wayne County Commission Resolution 2000-24 authorized the contract between Wayne County and Palace Sports and Entertainment.

3. Dobbs International Services, Inc. - In-Flight Catering

Chronology

1. July 23, 1971 - July 22, 1972 Initial agreement
 - Contract execution date was September 7, 1972. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. July 23, 1972 - July 22, 1973 Extension
 - Contract execution date was January 4, 1973. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.

3. July 23, 1973 - July 22, 1985 Agreement arrangement (if any) unknown
 - The Airport indicated that Dobbs International Services, Inc., was granted the right to renew the contract each year, without obtaining Wayne County Commission approval, subject to providing Wayne County written notice 30 days in advance.
4. July 23, 1985 - July 22, 1986 Extension
 - A formal contract was not provided by the Airport; Commission resolution was dated June 6, 1985.
5. July 23, 1986 - Present Agreement arrangement (if any) unknown
 - The Airport indicated that Dobbs International Services, Inc., was granted the right to renew the contract each year, without obtaining Wayne County Commission approval, subject to providing Wayne County written notice 30 days in advance. The Airport provided copies of such notice for 1986 through 1999.

Contract Provisions

Dobbs International Services, Inc., was granted the nonexclusive right and privilege to operate an in-flight food catering service at the Airport.

The agreement required Dobbs International Services, Inc., to pay a concession fee equal to 13.81% of total gross revenue derived or otherwise developed from its service. The agreement defined gross revenue to mean all monies paid or payable to Dobbs International Services, Inc., by its customers for sales of in-flight meals delivered to the Airport and for all services performed by Dobbs International Services, Inc., in connection with or incidental to such deliveries, regardless of when or where the orders for such meals and/or services are placed or received. The concession fee percentage has not changed since 1972.

The Airport did not provide documentation of a formal contract between Dobbs International Services, Inc., and the Airport beyond 1973. The Airport cited a provision of the 1972 contract that granted Dobbs International Services, Inc., the right to renew this contract at the end of the first year and each year thereafter subject to providing

written notice of its intention to renew at least 30 days prior to the end of such year. The 1972 contract also granted either party the right to cancel the agreement without cause.

Competitive Award

The Airport stated that the in-flight catering agreement was not subject to the County's competitive solicitation process. The Airport informed us that airlines select and retain their own in-flight food caterers without input from the Airport or the County. However, the Airport drafts an agreement to collect a concession fee from the caterer for the privilege of operating at the Airport.

Commission Resolution

The Airport indicated that the contracts executed in 1972 and 1973 were approved by the Wayne County Road Commission under the former Wayne County Charter. Wayne County Commission Resolution 85-223 authorized the contract from July 23, 1985 through July 22, 1986. The Airport did not provide a Wayne County Commission resolution for the period July 23, 1986 to the present, stating that the agreement is still subject to the yearly renewal provisions approved in Commission Resolution 85-223.

4. Host International, Inc. - Export/Duty-Free Shops

Chronology

1. June 27, 1990 - June 27, 1995 Initial agreement
 - Contract execution date was June 27, 1990; Commission resolution was dated June 7, 1990.
2. June 28, 1995 - August 31, 2000 Amendatory agreement
 - Contract execution date was December 20, 1993; Commission resolution was dated December 16, 1993.

Contract Provisions

Host International, Inc., was granted the exclusive right and duty to operate export/duty-free shops at the Airport.

The term of the agreement was extended in exchange for an increase in the minimum annual guarantee and the percentage of gross revenue paid to the County. The

minimum annual guarantee submitted to the County increased from \$850,000 to \$925,000, while the percentage of gross revenue paid to the County increased from 15% to 16%.

The initial agreement required Host International, Inc., to invest a minimum of \$870,000 in construction, remodeling, and renovation of the export/duty-free shop spaces within the first six months of the agreement. In addition, the agreement required Host International, Inc., to invest a minimum of \$25,000 each year thereafter for improvements to the shops. The amendatory agreement required additional capital expenditures by Host International, Inc.

The agreement provided for extensions, on a year-to-year basis, if construction of the Midfield Terminal is not completed by August 31, 2000.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; bid guaranty acknowledgments; sample evaluation forms; and bid tabulations. These materials were for the period commencing in 1990.

The documentation indicated that five companies bid for the agreement.

The Airport did not re-bid the agreement in 1995. Instead, an amendment extending the agreement until August 31, 2000, was executed in 1993.

Commission Resolution

Wayne County Commission Resolution 90-353 authorized the initial agreement executed in 1990. Wayne County Commission Resolution 93-712 authorized the amendatory agreement executed in 1993.

5. Metro Cars, Inc. - Luxury Sedan Taxi Service

Chronology

1. January 1, 1991 - December 31, 1995 Initial agreement
 - Contract execution date was December 21, 1990; Commission resolution was dated December 20, 1990.
2. January 1, 1996 - December 31, 2000 Amendatory agreement
 - Contract execution date was April 11, 1996; Commission resolution was dated April 4, 1996.

Contract Provisions

Metro Cars, Inc., was granted the right to provide luxury sedan service to the general public at the Airport.

The terms of the agreement require Metro Cars, Inc., to remit an annual, flat fee to the County instead of a percentage of gross revenue. The fee remitted in years 1991 through 1995 equaled \$2,000 for each car in operation. The 1996 amendment increased the fee to \$2,200 for each car in operation.

The initial contract and Commission resolution authorizing the agreement contained a five-year renewal provision. The amendatory agreement did not contain a renewal provision. However, the Commission resolution authorizing the amendment did contain a five-year renewal option.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; and minutes of a pre-bid meeting. These items were for the agreement period commencing in 1991.

However, the Airport canceled the request for proposal on June 30, 1989. The documentation did not explain why the request was canceled, how the decision to cancel was reached, or why Metro Cars, Inc., was subsequently awarded the contract.

The Airport did not provide submitted bids or bid evaluations, but indicated that the contract was awarded to Metro Cars, Inc., as the highest bidder.

The Airport did not re-bid the agreement after the initial agreement expired. Instead, a five-year renewal provision was executed on April 11, 1996.

Commission Resolution

Wayne County Commission Resolution 90-836 authorized the initial agreement in 1990 for a five-year period, with an option to renew for a five-year period. Wayne County Commission Resolution 96-163 authorized the amendatory agreement renewing the contract from January 1, 1996 through December 31, 2000, with a five-year renewal option.

6. Metro Service Center, Inc. - Automobile Service Station Concession

Chronology

1. December 28, 1977 - December 31, 1982 Initial agreement
 - Contract execution date was January 23, 1980. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. January 1, 1983 - December 31, 1987 Extension
 - Contract execution date was April 7, 1983. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
3. January 1, 1988 - December 31, 1992 Agreement arrangement (if any) unknown
 - Documentation for this period was insufficient to determine whether an agreement was in place.
4. January 1, 1993 - March 31, 1996 Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period. The Airport indicated that the agreement expired on December 31, 1992 and was operated month to month pending plans to construct a new interchange for the South access road through the existing site of the service station.

5. April 1, 1996 - June 30, 1997 Extension
 - Contract execution date was August 5, 1996; Commission resolution was dated August 1, 1996.
6. July 1, 1997 - June 30, 1999 Extension
 - Contract execution date was January 23, 1998; Commission resolution was dated February 19, 1998.
7. July 1, 1999 - Present Extension (month-to-month)
 - A formal agreement was not provided by the Airport; Commission resolution was dated February 19, 1998.

Contract Provisions

Metro Service Center, Inc., was granted the right and duty to operate a full service automobile station at the Airport.

Metro Service Center, Inc., was to pay the County a monthly concession fee in the amount of \$2,000 plus 3% of monthly gross revenue. The agreement defined gross revenue as the total revenue derived from the sale of gasoline goods, products, and services, including parking and storage fees at the Airport. The sale of gasoline was specifically excluded from gross revenue.

Automobile storage or parking was only to be provided if incidental to providing normal services, such as maintenance and repairs.

Competitive Award

The Airport provided an unpublished advertisement for bids and a request for proposal, both dated 1989. The Airport also provided a request for proposal for the bid period initiated in 2000 and indicated that bids are currently being evaluated.

The Airport did not provide published advertisements, completed proposals, bid evaluations, or bid tabulations for the period December 28, 1977 to the present. The Airport did not provide a request for proposal for the period December 28, 1977 through 1989 and the period January 1, 1993 through 1999. The Airport also did not provide any evidence that the 1989 request for proposal resulted in the competitive award of a contract. The Airport indicated that the proposals submitted in 2000 are currently being evaluated.

Commission Resolution

The Airport indicated that the contracts executed in 1980 and 1983 were approved by the Wayne County Road Commission under the former Wayne County Charter. The Airport did not provide a Wayne County Commission resolution authorizing the agreement from January 1, 1988 through March 31, 1996. Wayne County Commission Resolution 96-422 authorized the agreement from April 1, 1996 through August 31, 1997. Wayne County Commission Resolution 98-85 authorized the agreement from July 1, 1997 through June 30, 1999. Resolution 98-85 also provided the option to extend the agreement on a month-to-month basis after June 30, 1999.

7. Michigan Host, Inc. - Food and Beverage Concession

Chronology

1. October 3, 1957 - September 30, 1968 Initial agreement
 - Contract execution date was October 3, 1957. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. October 1, 1968 - September 30, 1978 Amendatory agreement
 - Contract execution date was May 26, 1966. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
3. October 1, 1978 - September 30, 1993 Amendatory agreement
 - Contract execution date was October 9, 1975. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
4. October 1, 1993 - September 30, 1998 Amendatory agreement
 - Contract execution date was January 1987; Commission resolution was dated June 30, 1987.

5. October 1, 1998 - September 30, 2003 Extension

- The Airport exercised the first of two 5-year extension options of the amendatory agreement dated January 1987. The Airport indicated that a separate Wayne County Commission resolution was not needed for this period because the five-year extension option was included in the amendatory agreement that was approved by the Commission in its resolution dated June 30, 1987.

Contract Provisions

Michigan Host, Inc., was granted the exclusive right to the food and beverage concession at the Airport. The contract required Michigan Host, Inc., to pay the County an annual concession fee. The annual concession fee shall be the greater of:

- 13.81% of all gross sales derived by sale of food in the Airport to the public (excludes banquet and room service - see Hotel Operation Agreement) and from in-flight catering

PLUS

- 5% of all gross sales from employee cafeterias

PLUS

- 50% of all commissions received by the Concessionaire from cigarette vending operations

PLUS

- Commissions from the sale of alcohol according as follows:

- | | | |
|---------|--------------|----------------|
| • 17% | of the first | \$4,000,000.00 |
| • 17.5% | of the next | \$2,000,000.00 |
| • 18.5% | in excess of | \$6,000,000.00 |

OR

- A minimum annual guarantee in an amount equal to \$760,000.00

OR

- 70% of the concession fee actually paid during the prior year of operations, whichever is greater.

The amendatory agreement, executed in 1987, which extended the agreement through September 30, 1998, provided for two additional 5-year extensions expiring September 30, 2003 and September 30, 2008. A provision of that agreement read, "For each extension, if the COUNTY fails to give HOST written notice either extending or not extending the term of the Agreement, the Agreement will be automatically extended for the additional five-year period."

The amendatory agreement in 1987 required Michigan Host, Inc., to undertake a program of construction, remodeling, and renovation of existing space or any additional space, or both, assigned to Michigan Host, Inc., under the agreement. Michigan Host, Inc., was to invest not less than \$7,000,000 in the program and complete the investment by September 30, 1993.

Competitive Award

The Airport did not provide any documentation indicating that the County has awarded this agreement through a competitive process.

Commission Resolution

The Airport indicated that the contracts executed in 1957, 1966, and 1975 were approved by the Wayne County Road Commission under the former Wayne County Charter. A Wayne County Commission resolution dated June 30, 1987 authorized the agreement from October 1, 1993 through September 30, 1998. The Airport exercised its first 5-year extension option of the amendatory agreement dated January 1987. The Airport indicated that a separate Wayne County Commission resolution was not needed for the period October 1, 1998 through September 30, 2003 because this was a 5-year extension option which was included in the amendatory agreement that was approved by the Commission in its resolution dated June 30, 1987.

8. Michigan Host, Inc. - Hotel Operation Concession

Chronology

1. April 15, 1967 - April 14, 1977 Initial agreement
 - Contract execution date was April 28, 1967. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. April 15, 1977 - January 1, 1978 Amendatory agreement
 - Contract execution date was October 27, 1977. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
3. January 2, 1978 - September 30, 1982 Extension (month-to-month)
 - A formal agreement was not provided by the Airport. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
4. October 1, 1982 - September 30, 1993 Amendatory agreement
 - Contract execution date was December 2, 1982. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
5. October 1, 1993 - September 30, 1998 Extension
 - The prior contract approved by the Wayne County Road Commission provided for two 5-year renewal options. The Airport indicated that it exercised a renewal clause expiring September 30, 1998 and that this period was covered under the contract approved by the Road Commission and, thus, no Wayne County Commission resolution was required.
6. October 1, 1998 - Present Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period. The Airport indicated that the contract is on a month-to-month basis.

Contract Provisions

Michigan Host, Inc., was granted the right and privilege of operating the hotel concession at the Airport. The agreement required Michigan Host, Inc., to pay the County the greater of a minimum annual guarantee or a percentage of gross revenue.

The amendatory agreement in 1982 required Michigan Host, Inc., to undertake a program of remodeling and refurbishment at its own expense. The estimated cost of the program was \$2,439,900. All remodeling and refurbishment was to be completed before July 1, 1984. In addition, the 1982 amendatory agreement required Michigan Host, Inc., to pay Wayne County \$587,000 as compensation for the County's duty to maintain the domestic water distribution system serving the hotel.

Competitive Award

The Airport provided an invitation for bid for the period commencing in 1967.

The Airport did not provide published advertisements, completed bids, bid evaluations, or bid tabulations for the period April 15, 1967 to the present. The Airport also did not provide an invitation for bid for the period April 15, 1977 to the present. The Airport indicated that this agreement is in the process of being re-bid.

Commission Resolution

The Airport indicated that the contracts executed in 1967, 1977, 1978, and 1982 and the 1993 extension were approved by the Wayne County Road Commission under the former Wayne County Charter. The Airport did not provide a Wayne County Commission resolution authorizing the month-to-month agreement from October 1, 1998 to the present.

9. National Car Rental System, Inc. - Car Rental Concession

Chronology

November 1, 1998 - October 31, 2002 Initial agreement

- Contract execution date was August 23, 1999; Commission resolution was dated August 19, 1999.

Contract Provisions

National Car Rental System, Inc., was granted the nonexclusive right, privilege, and obligation to operate an on-site auto rental concession at the Airport.

National Car Rental Systems, Inc., was to pay the County the greater of a minimum annual guarantee or a percentage of gross revenue.

Competitive Award

The documentation provided by the Airport included an invitation for bid; a published advertisement for bids, supported by purchase requisitions; the completed bid from National Car Rental Systems, Inc.; and a tabulation of bids.

A letter of recommendation from the County Purchasing Division states that the agreement was advertised and directly solicited to 28 companies. Eight companies submitted bids and were subsequently awarded a nonexclusive rental car concession.

Commission Resolution

Wayne County Commission Resolution 99-478 authorized this agreement.

10. Paradies - Metro Ventures, Inc. - News/General Merchandise Shops

Chronology

April 1, 1991 - February 28, 2001 Initial agreement

- Contract execution date was April 19, 1991; Commission resolution was dated April 18, 1991.

Contract Provisions

Paradies - Metro Ventures, Inc., was granted the exclusive right and duty to operate a combined news/general merchandise/specialty shop concession at the Airport.

Paradies - Metro Ventures, Inc., was to pay the County the greater of a minimum annual guarantee or a percentage of gross revenue.

The agreement required Paradies - Metro Ventures, Inc., to invest millions of dollars over the length of the contract in construction, remodeling, and refurbishing of the news/general merchandise/specialty shops.

Provisions of the agreement required that the prices of certain items were consistent with those at convenient stores in the Metropolitan Detroit area.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; a listing containing company names and the date the County sent them the request for proposal; completed proposals from three companies; bid evaluations; and the bid tabulation.

Commission Resolution

Wayne County Commission Resolution 91-299 authorized this agreement.

Management/Service Agreements

11. American Computer & Communications - NOTAM Maintenance

Chronology

1. January 1, 1999 - December 31, 1999 Initial agreement
 - Purchase order was dated June 10, 1999; Commission resolution was dated June 3, 1999.
2. January 1, 2000 - December 31, 2000 Extension (Renewal)

Contract Provisions

American Computer & Communications was contracted to provide for the lease of emergency NOTAM (Notice to Airmen) system equipment and maintenance, as needed by the Airport.

The agreement was executed through a purchase order and contained a one-year renewal option.

Competitive Award

Included in the documentation provided by the Airport was an invitation for bid addressed to two companies. One of the companies submitted a bid. The other returned its unsigned invitation marked "no bid."

As the sole bidder, the agreement was awarded to American Computer & Communications.

Commission Resolution

Wayne County Commission Resolution 99-326 authorized the single response agreement for the period January 1, 1999 through December 31, 2000.

12. American International, Inc. - Maintenance Assistance Services

Chronology

1. June 1, 1993 - May 31, 1994 Initial agreement
 - Contract execution date was June 18, 1993; Commission resolution was dated June 17, 1993.
2. June 1, 1994 - May 31, 1995 Extension (Renewal)
 - Purchase order was dated January 19, 1995. The Airport indicated that Wayne County Commission Resolution 93-333, dated June 17, 1993, authorized this agreement.
3. June 1, 1995 - March 24, 1996 Agreement arrangement (if any) unknown
 - No documentation was provided for this period. The Airport indicated that Wayne County Commission Resolution 93-333, dated June 17, 1993, authorized this agreement.
4. March 25, 1996 - March 24, 1997 Extension (Renewal)
 - Purchase order was dated March 18, 1996; no Commission resolution was provided by the Airport. The Airport indicated that Wayne County Commission Resolution 93-333, dated June 17, 1993, authorized this agreement.

5. March 25, 1997 - November 30, 1997 Extension (Renewal)
 - Purchase order was dated March 19, 1997; no Commission resolution was provided by the Airport. The Airport indicated that Wayne County Commission Resolution 93-333, dated June 17, 1993, authorized the agreement.
6. December 1, 1997 - December 31, 1997 Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period. The Airport acknowledged that the previous purchase order "renewing" this contract through November 30, 1997 had expired. However, the Airport indicated that service may not have been required during this one-month period, until the new agreement became effective on January 1, 1998.
7. January 1, 1998 - December 31, 1999 New agreement
 - Contract execution date was January 29, 1998; Commission resolution was dated January 27, 1998.
8. January 1, 2000 - December 31, 2000 Extension (Renewal)
 - Purchase order was dated May 7, 1999; Commission resolution was dated January 27, 1998.

Contract Provisions

American International, Inc., was granted the right, privilege, and obligation to provide skilled trades maintenance assistance services. The contract term was for a period of one year, commencing June 1, 1993 and terminating on May 31, 1994. The County, at its sole discretion, could renew the agreement on an annual basis under the terms of the contract.

Competitive Award

The Airport did not provide any documentation indicating that the County awarded this agreement through a competitive process for the period June 1, 1994 through December 31, 1997.

The Airport provided an invitation for bid; a published advertisement for bids, supported by purchase requisitions; a listing of companies that the County sent invitation for bids; an evaluation of bids; and the letter of recommendation, which stated that five

companies submitted bids. These materials were for the bid period commencing in 1993.

For the period commencing January 1, 1998, the Airport provided an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; completed proposals from five companies; and an evaluation of the proposals.

Commission Resolution

The Airport did not provide a Wayne County Commission resolution authorizing the agreement from June 1, 1994 through December 31, 1997. Wayne County Commission Resolution 93-333 authorized the maintenance assistance service agreement from June 1, 1993 through May 31, 1994. Wayne County Commission Resolution 98-36 authorized the agreement from January 1, 1998 through December 31, 2000.

On June 17, 1993, Wayne County Commission Resolution 93-333 authorized this contract "on an as-required basis at Metropolitan Airport, with an option to renew, as recommended by the Chief Executive Officer. . . ." The Airport indicated that the contract could be renewed, without obtaining additional Commission approval, as long as there was money in the budget. Therefore, the Airport states that all extensions/renewals/amendments that occurred from June 1, 1994 through November 30, 1997 were approved by the Commission in Resolution 93-333.

13. Jack B. Anglin Company - Snow Removal Services

Chronology

1. November 15, 1995 - April 15, 1998 Initial agreement
 - Contract was dated November 17, 1995; Commission resolution was dated November 16, 1995.
2. November 15, 1998 - April 15, 1999 Extension period (Renewal)
 - Purchase order was dated October 2, 1998; Commission resolution was dated November 16, 1995.

3. November 15, 1999 - April 15, 2002 New agreement

- Contract was dated October 22, 1999; Commission resolution was dated October 21, 1999.

Contract Provisions

Jack B. Anglin Company was granted the right, privilege and obligation to remove and dispose of snow from Airport areas, as directed by the Director of Airports.

The initial agreement and Commission resolution provided a one-year renewal option. The contract executed in 1999 also provided a one-year renewal option.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; completed proposals from two companies; and the tabulation of bids. These materials were for the period commencing in 1995.

The Airport provided a request for proposal; a published advertisement for bids, supported by purchase requisitions; and the letter of recommendation, which stated that the Jack B. Anglin Company was the single responsive bidder. These materials were for the period commencing in 1999.

Commission Resolution

Wayne County Commission Resolution 95-813 authorized the snow removal services agreement for the period November 15, 1995 through April 15, 1998. This Resolution provided a one-year extension option. Wayne County Commission Resolution 99-641 authorized the agreement from November 15, 1999 through April 15, 2002.

14. APCOA, Inc. - Parking Management Services

Chronology

1. July 1, 1981 - June 30, 1986 Agreement with 100% owned subsidiary of APCOA's parent company
 - Contract execution date was October 15, 1981. The Airport indicated that the Wayne County Commission did not exist during the period this contract was

executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.

2. June 6, 1982 - June 30, 1986 Consent of assignment agreement to APCOA, Inc.
 - Contract execution date was August 4, 1982. The Airport indicated that the Wayne County Commission did not exist during the period this contract was executed. Instead, this contract was approved by the Wayne County Road Commission under the former Wayne County Charter.
3. July 1, 1986 - September 30, 1988 Agreement arrangement (if any) unknown
 - No documentation was provided by the Airport for this period.
4. October 1, 1988 - September 30, 1991 Amendatory agreement
 - Contract execution date was January 19, 1989; Commission resolution was dated January 19, 1989.
5. October 1, 1991 - June 1, 1992 Amendatory agreement (month-to-month basis)
 - Contract execution date was January 16, 1992; Commission resolution was dated December 19, 1991.
6. June 2, 1992 - November 30, 1998 Extension
 - No formal documentation authorizing the extension was provided by the Airport.
7. December 1, 1998 - November 30, 2001 The contract was bid and subsequently awarded to APCOA, Inc.
 - Contract execution date was April 5, 1999; Commission resolution was dated April 1, 1999.
 - The contract was rescinded by Wayne County and subsequently re-bid.
 - Re-bids have been received, but the contract has not been re-awarded due to pending litigation between APCOA, Inc., and Wayne County.
 - APCOA, Inc., is still the current parking management contractor.

Contract Provisions

APCOA, Inc., was granted the right and assumes the obligation to operate the paid public parking facilities at the Airport.

The County reimburses all approved direct operating expenses and charges in addition to a monthly management fee. The monthly management fee prior to the rescinded 1999 agreement was .7584% of total annual gross revenue. The management fee contained within the winning proposal by APCOA, Inc., in 1999 was .23297%.

Competitive Award

The documentation provided by the Airport included a request for qualifications; an unpublished advertisement for bids; instructions to bidders; and a blank bid form, containing criteria and specifications for the requested service. These materials were for the agreement period commencing in 1981.

The Airport also provided a second request for qualifications, which it believed was issued in 1987.

The Airport did not provide submitted qualifications; completed bid forms; published advertisements; or bid evaluations for the period July 1, 1981 through November 30, 1998.

The documentation provided by the Airport pertaining to the rescinded 1999 contract included a request for proposal; advertisements, whose publication was supported by purchase requisitions; proposals submitted by six companies; names of the selection committee; and the letter of recommendation.

The documentation provided by the Airport for the bidding period subsequent to the rescinded contract included a request for proposal; advertisements, whose publication was supported by purchase requisitions; and proposals submitted by three companies.

Commission Resolution

The Airport indicated that the contracts executed in 1981 and 1982 were approved by the Wayne County Road Commission under the former Wayne County Charter. The Airport did not provide a Wayne County Commission resolution authorizing the agreement from July 1, 1986 through September 30, 1988 and from June 2, 1992 through November 30, 1998.

Wayne County Commission Resolution 89-18 authorized the agreement from October 1, 1988 through September 30, 1991. Wayne County Commission Resolution

91-896 authorized a month-to-month extension of the parking management services agreement from October 1, 1991 through June 1, 1992.

Wayne County Commission Resolution 99-185 authorized a three-year contract between the County and APCOA, Inc., if and only if certain conditions were met. The Airport informed us the County Executive's signature was put on the contract prior to the conditions being satisfied. The conditions were never satisfied and the contract was subsequently rescinded by the County.

15. Automated Entrance Systems, Inc. - Automatic Door Maintenance

Chronology

1. July 1, 1996 - June 30, 1999 Initial agreement
 - Purchase order was dated September 27, 1996; Commission resolution was dated July 18, 1996.
2. July 1, 1999 - June 30, 2000 Extension (Renewal)

Contract Provisions

Automated Entrance Systems, Inc., was contracted to provide planned maintenance and service of automatic doors and door operating equipment at the Airport.

The agreement was executed through a purchase order and contained a one-year renewal option.

The bid proposal did not solicit an amount for emergency repairs. To allow for emergency repairs, the County added \$10,000 to the bid upon submission to the Wayne County Commission for approval. Subsequent to Commission resolution, the County increased the allowance for emergency repairs by \$140,000. The increase was subsequently approved by the Commission.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; a request for proposal; completed bid proposals from two companies; a bid opening attendance sheet; and a bid tabulation. These materials were for the agreement period commencing in 1996.

As a result of advertisements and direct solicitation of three companies, two bid proposals were submitted. The agreement was awarded to the lowest bidder, Automated Entrance Systems, Inc.

Commission Resolution

Wayne County Commission Resolution 96-393 authorized the agreement for the period July 1, 1996 through June 30, 2000, in the amount of \$44,782. Wayne County Commission Resolution 96-748 authorized the amendment to the agreement to reflect the increase in cost for emergency repairs.

16. City Environmental Services, Inc. - Trash Disposal Services

Chronology

1. December 1, 1992 - November 30, 1995 Initial agreement
 - Contract was dated December 1, 1992; Commission resolution was dated October 15, 1992.
2. December 1, 1995 - November 30, 1996 Extension (Renewal) (month-to-month)
 - Purchase order was dated July 21, 1995; no Commission resolution was provided by the Airport. The Airport indicated that this period was a "renewal" authorized by the original Commission resolution dated October 15, 1992. However, the resolution specifically authorized only a three-year contract.
3. December 1, 1996 - May 30, 1997 Extension (month-to-month)
 - Purchase order was dated May 5, 1997; Commission resolution was dated April 17, 1997.
4. June 1, 1997 - August 31, 1997 Extension (month-to-month)
 - Purchase order was dated August 18, 1997; Commission resolution was dated April 17, 1997.
5. September 1, 1997 - August 31, 2000
 - Contract bid during 1996; contract awarded to a different company in September 1997.

Contract Provisions

City Environmental Services, Inc., was contracted to provide a trash and garbage disposal service at the Airport.

The initial agreement provided the County with an option to extend the contract on a month-to-month basis after November 30, 1995, not to exceed one year.

During the period December 1, 1996 through August 31, 1997, the County paid City Environmental Services, Inc., \$20,000 per month for trash disposal services.

Competitive Award

The Airport provided a published advertisement for bids, supported by a purchase requisition; the tabulation of bids; and the letter of recommendation, which stated that five companies submitted bids. These materials were for the period commencing in 1992.

The trash disposal contract was bid in 1996 and subsequently awarded to Standard Disposal Service on September 1, 1997. The information provided by the Airport included a request for proposal and a recommendation of contract award, citing six proposals, for the 1996 bid period. The Airport did not provide a published advertisement or submitted proposals.

Commission Resolution

Wayne County Commission Resolution 92-588 authorized the agreement from December 1, 1992 through November 30, 1995. The Airport did not provide a Commission resolution for the period December 1, 1995 through November 30, 1996. Wayne County Commission Resolution 97-180 authorized month-to-month extensions of the trash disposal agreement from December 1, 1996 through August 31, 1997.

Wayne County Commission Resolution 97-403 authorized a three-year contract to Standard Disposal Service with a one-year renewal option.

17. Torre & Bruglio, Inc. - Landscape Maintenance

Chronology

1. April 1, 1995 - April 30, 1997 Initial agreement, with an option to renew for an additional two-year term.
 - Contract was dated July 20, 1995. Wayne County Commission Resolution 95-505, dated July 20, 1995, authorized the contract for the period April 1, 1995 through August 30, 1997, with a two-year renewal.
2. May 1, 1997 - April 1, 1999 Extension period (Renewal)
 - Purchase order 70495 was dated June 24, 1997. The contract renewal period was May 1, 1997 through April 30, 1999, per the terms of the contract. Wayne County Commission Resolution 97-300 (original), dated June 5, 1997, authorized a renewal period of September 1, 1997 through August 31, 1999. However, Commission Resolution 97-300 (revised), also dated June 5, 1997, only authorized a renewal period of April 1, 1997 through April 1, 1999.
3. April 2, 1999 - April 30, 1999 Agreement arrangement (if any) unknown
 - A formal agreement was not provided by the Airport; a Commission resolution was not provided by the Airport. The Airport indicated that this period was covered under Commission Resolution 97-300, dated June 5, 1997, which authorized a renewal period of September 1, 1997 through August 31, 1999. However, Commission Resolution 97-300 (revised), also dated June 5, 1997, was for the period April 1, 1997 through April 1, 1999.
4. May 1, 1999 - October 31, 1999 Extension period
 - Purchase order amendment was dated August 24, 1999; Commission resolution was dated August 5, 1999.
5. November 1, 1999 - October 31, 2001
 - Contract was dated November 4, 1999; Commission resolution was dated November 4, 1999. The Airport indicated that the contract was re-bid in 1999 and subsequently awarded to the same company.

Contract Provisions

Torre & Bruglio, Inc., was granted a contract to provide landscape maintenance services at the Airport.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions and newspaper clippings; a request for qualifications; submitted qualifications from two companies; request for qualifications evaluation forms; and a recommendation for contract award. These materials were for the period commencing in 1995.

The only documentation provided by the Airport for the 1999 bid period was a request for qualifications analysis and an interview tabulation. According to the request for qualifications analysis, seven companies submitted their qualifications to the County. The request for qualifications analysis also shows that only three companies were in compliance with the requirements of the request for qualifications.

Commission Resolution

Wayne County Commission Resolution 95-505 authorized the agreement for the period April 1, 1995 through April 30, 1997. This Resolution provided a two-year extension option.

Wayne County Commission Resolution 97-300 (original), dated June 5, 1997, authorized the agreement for the period September 1, 1997 through August 31, 1999. This resolution was revised the same day, resulting in Commission Resolution 97-300 (revised), which changed the authorized period to April 1, 1997 through April 1, 1999.

The Airport indicated that the correct contract period was September 1, 1997 through August 31, 1999 and was authorized by Commission Resolution 97-300. However, Commission Resolution 97-300 (revised), which apparently superseded 97-300 (original), only authorized the contract for the period April 1, 1997 through April 1, 1999. As a result, there was no Commission Resolution authorizing the contract from April 2, 1997 through April 30, 1999.

Wayne County Commission Resolution 99-438 authorized an extension for the period May 1, 1999 through October 31, 1999. Wayne County Commission Resolution 99-655 authorized the contract for the period November 1, 1999 through October 31, 2001.

18. Torre & Bruglio, Inc. - Emergency Snow Removal

Chronology

1. January 7, 1999 - January 15, 1999 Initial agreement
 - Confirming order was dated May 27, 1999; Commission resolution was dated May 20, 1999.

Contract Provisions

Torre & Bruglio, Inc., performed emergency loading and hauling of snow due to excessive snowfalls on January 7, 1999 and January 13, 1999. The Airport provided us with a confirming order for the services dated May 27, 1999 and Wayne County Commission Resolution 99-275, dated May 20, 1999, which resolved that "approval be, and is hereby, granted authorizing an amendment to a contract between the County of Wayne and Torre & Bruglio (of Pontiac) in the amount of \$153,962.50 for emergency loading and hauling of snow"

Competitive Award

The documentation provided by the Airport indicated that, in response to direct solicitations, only one company responded. The documentation did not state how many companies were solicited. However, the Airport indicated to us that this contract was in response to a snowstorm emergency; that the County did not have time to shop around for a vendor; that Torre & Bruglio, Inc., was an approved on-site vendor who the County knew could handle the scope of services immediately needed; and that this was the only vendor the County could get in contract to perform the service.

Commission Resolution

Wayne County Commission Resolution 99-275 authorized the amendment for emergency loading and hauling of snow due to excessive snowfalls at the Airport on January 7, 1999 and January 13, 1999.

Capital Improvement Program (CIP) - Construction Agreements

19. American International, Inc. - Airfield Lighting and Signage

Chronology

The agreement was executed on August 8, 1994. The proposed work was to be completed within 570 consecutive calendar days. The project was listed as "substantially complete" in the June 1999 CIP Status Report.

The Airport stated that this project was completed for all intents and purpose in late 1997. The Airport indicated that a project listed as "substantially complete" in the CIP Status Report means that the project, while not 100% complete, is finished to the point where it can be used for its originally designed purpose. Only minor items and final "closeout" documentation need to be completed according to the Airport.

Contract Provisions

American International, Inc., was contracted to provide new airfield lighting and signage as part of CIP.

This agreement was stipulated as a lump sum contract in the amount of \$11,082,975. Change orders totaling \$8,782,504 (79% of the original lump sum) have been issued in relation to this project. The change orders increased the cost of the project to \$19,865,479. None of the work for which the change orders were issued was re-bid. The Airport indicated it is not necessary, practical, or common construction practice to re-bid change orders to an existing construction contract.

The Airport stated to us, in a memorandum dated October 8, 1999, that this work was mandated by the Federal Aviation Administration (FAA), and any escalations in costs were the result of an increased scope due to unforeseen existing field conditions and the FAA requirement that the work be completed before the end of the year. However, the Airport provided us with a letter from the FAA to document the FAA mandate. The FAA letter, dated November 15, 1991, required compliance by January 1, 1994, 8 months before the contract execution date of August 8, 1994.

The agreement provided for liquidated damages of \$500 per day beyond the allotted project time (570 days). Further inquiry and information would be necessary to conclude whether the allotted project time was exceeded.

Competitive Award

The documentation provided by the Airport included an unpublished advertisement for bids; a bid request form; bid request forms completed by three companies; and a comparison of bids.

A letter of recommendation from the Airport's project manager states that three companies submitted bids. Of the three companies cited, American International, Inc., had the lowest bid.

The Airport did not provide published advertisements.

Commission Approval

The Airport did not provide a Wayne County Commission resolution authorizing this agreement. The Airport indicated that this agreement did not have a Commission resolution because it fell under "delegated authority" by the Wayne County Commission to the Director of Airports for CIP projects.

In support of its assertion, the Airport cited Section 8 of the Wayne County Contracting Ordinance (84-143) and Subsection 41(F) of the Wayne County Appropriations Ordinance (99-497). These ordinances authorize the County Executive to execute contracts to implement projects within an annual Capital Outlay Plan approved by the Wayne County Commission. The Airport indicated that this project was included in an annual Capital Outlay Plan approved by the Wayne County Commission.

20. American International, Inc. - Toilet Room Renovations

Chronology

The agreement was executed on August 17, 1998. The proposed work was to be completed within 90 consecutive calendar days. The project was listed as "in construction" in the June 1999 CIP Status Report.

Contract Provisions

American International, Inc., was contracted to upgrade and renovate the existing toilet rooms in the Smith and Davey Terminals, with new plumbing fixtures, lighting, and interior finishes as part of CIP.

This agreement was stipulated as a lump sum contract in the amount of \$553,000. Change orders totaling \$493,060 (89% of the original lump sum) have been issued in relation to this project. The change orders increased the cost of the project to \$1,046,060. None of the work for which the change orders were issued was re-bid. The Airport indicated that it is not necessary, practical, or common construction practice to re-bid change orders to an existing construction contract.

The agreement provided for liquidated damages of \$5,000 per day beyond the allotted project time (90 days). Further inquiry and information would be necessary to conclude whether the allotted project time was exceeded.

Competitive Award

The documentation provided by the Airport included a prepared advertisement for bids; a bid request form; and bid request forms completed by four companies.

A letter of recommendation from the Airport's project manager states that four companies submitted bids. Of the four companies cited, American International, Inc., had the lowest bid.

The file did not include evidence that the advertisements were published.

Also included in the documentation was American International's "Ethics in Contracting Vendor Form." American International, Inc., disclosed that it had discussed hiring a County contract manager or an immediate family member of a County contract manager within the past 12 months. In addition, American International, Inc., disclosed that it had employed an immediate family member of a person on the County contract managers list within the past 12 months.

Wayne County Enrolled Ordinance 84-143, subsection 15(D)(2), states, "There is a conflict of interest whenever a County employee, who is on the contract managers list, knows or should reasonably be expected to know that he or she, or a member of his or her immediate family. . . (c) has negotiated or is negotiating for employment with this

County vendor, or with another party who is likely to become a party to this contract, such as, a prospective sub-contractor or consultant. . . ." If a County employee on the contract managers list has a conflict of interest in a particular County procurement, he or she shall not take part directly or indirectly in that procurement, unless a waiver is granted.

The Airport acknowledged that "The County's Ethics Ordinance states that if a potential conflict of interest is disclosed then that individual shall not take part directly or indirectly in that procurement unless a waiver is granted." The Airport indicated that, because the project manager's team reviewed the bids and recommended the award and County Purchasing processed the contract, it was deemed by the County that the County employee in question did not take a direct part in the procurement process, thereby satisfying the Ethics Ordinance.

The documentation reviewed does not provide information, in one way or the other, as to any direct or indirect involvement in the procurement of the contract by the individual disclosed. The disclosure does not necessarily indicate inappropriate behavior, and further study and information on the individual and circumstances would be necessary to conclude with certainty if this is a concern.

Commission Approval

The Airport did not provide a Wayne County Commission resolution authorizing this agreement. The Airport indicated that this agreement did not have a Commission resolution because it fell under "delegated authority" by the Wayne County Commission to the Director of Airports for CIP projects.

In support of its assertion, the Airport cited Section 8 of the Wayne County Contracting Ordinance (84-143) and Subsection 41(F) of the Wayne County Appropriations Ordinance (99-497). These ordinances authorize the County Executive to execute contracts to implement projects within an annual Capital Outlay Plan approved by the Wayne County Commission. The Airport indicated that this project was included in an annual Capital Outlay Plan approved by the Wayne County Commission.

21. American International, Inc. - Runway Concrete Replacement

Chronology

The agreement was executed on May 6, 1997. The proposed work was to be completed within 10 consecutive calendar days. The project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

American International, Inc., was contracted to provide the replacement of concrete at the touchdown zone of Runway 21R as part of CIP.

This agreement was stipulated as a lump sum contract in the amount of \$443,988. Change orders, eliminating a portion of the agreement, reduced the cost by \$132,411 for a total project cost of \$311,577.

The agreement provided for liquidated damages of \$5,000 per day beyond the allotted project time (10 days). Further inquiry and information would be necessary to verify whether the allotted project time was exceeded. However, the Airport indicated that a notice to proceed was issued May 17, 1997 and was completed May 26, 1997. Therefore, no liquidated damages were assessed.

Prior to award of the contract to American International, Inc., Wayne County Field Engineering wrote a memorandum which stated, "Based on our past three years of field experience with this contractor on the Revise/Replace Airfield Lighting and Signage Project [see Exhibit E, Item 19, and Exhibit G-2], it is our concern that American International is not capable of performing the work on the referenced project per the contract specifications within the time limits allowed. It is our recommendation that the contract not be awarded to American International, Inc. . . . " The detailed reasons cited by Field Engineering in its memorandum encompassed the topics of scheduling and/or coordination of subcontractors, coordination of scheduled closures, lack of experienced field supervision, safety within the Air Operations Area, and insufficient equipment and personnel to carry out the work.

A letter of intent to award the contract to American International, Inc., was issued shortly after the memorandum mentioned in the preceding paragraph. The letter stated, "This award is contingent upon the Field Superintendent and Project Manager for American International being acceptable to the C.I.P. [Capital Improvement Program] Project

Manager and Wayne County Field Engineering." The contract was ultimately awarded to American International, Inc. However, the Airport did not provide us with further documentation explaining the resolution of the contingency.

The Airport acknowledged Wayne County Field Engineering's concerns, stating:

While it is true that Wayne County Field Engineering had some concerns over the ability of American International to complete this project, as noted in their memo, the PM Team took this concern under consideration in their review and recommendation for award of this project to American International. The reason that the Letter of Intent indicated that the award was contingent upon the field superintendent and project manager for American International being acceptable to the PM Team and Wayne County Engineering was to ensure that the two key people for the contractor were sensitive and aware of the critical nature of this project from a safety, security and scheduling standpoint. American International submitted the names of these two individuals who were approved by the PM Team and WC Engineering. . . . Due to Wayne County Engineering's concerns, this project was watched very closely by both WC Engineering and the PM Team. As a result, this project was completed successfully on time and without incident.

Competitive Award

The documentation provided by the Airport included a prepared advertisement for bids; a bid request forms; and bid request forms completed by seven companies.

A letter of recommendation from the Airport's project manager states that seven companies submitted bids. Of the seven companies cited, American International, Inc., had the lowest bid.

The file did not include evidence that the advertisements were published.

Commission Approval

The Airport did not provide a Wayne County Commission resolution authorizing this agreement. The Airport indicated that this agreement did not have a Commission resolution because it fell under "delegated authority" by the Wayne County Commission to the Director of Airports for CIP projects.

In support of its assertion, the Airport cited Section 8 of the Wayne County Contracting Ordinance (84-143) and Subsection 41(F) of the Wayne County Appropriations Ordinance (99-497). These ordinances authorize the County Executive to execute contracts to implement projects within an annual Capital Outlay Plan approved by the Wayne County Commission. The Airport indicated that this project was included in an annual Capital Outlay Plan approved by the Wayne County Commission.

22. American International, Inc. - Signs and Accessories

Chronology

This agreement was a change order to an existing contract with American International, Inc. The existing contract was to provide new airfield lighting and signage, including major electrical cable replacement (see Exhibit E, Item 19). This change order was separately requested and reviewed because it was separately listed in the listing of outstanding contracts provided by the Airport. This change order was executed on November 1, 1995.

Contract Provisions

The change order, totaling \$90,196, provided required signs, regulators, and accessories for the airfield lighting and signage contract referred to in the preceding paragraph. This change order was included in a summary of change orders for that contract.

Competitive Award

The goods and/or services provided in this change order were not competitively bid. Instead, additional funds were attached to an existing contract related to the change order.

Commission Approval

The Airport did not provide a Wayne County Commission resolution authorizing this change order. The Airport asserted that this change order fell under "delegated authority" as described in Exhibit E, Item 19.

23. Waterland Trucking Service, Inc. - Employee Parking Lot Expansion

Chronology

The agreement was executed on August 1, 1996. The proposed work was to be completed within 45 consecutive calendar days. The project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

Waterland Trucking Service, Inc., was contracted to provide for the expansion of the employee parking lot, which included excavation, drainage, bituminous paving, sight lighting, fencing, and pavement striping as part of CIP.

This agreement was stipulated as a lump sum contract in the amount of \$553,046. Change orders totaling \$241,032 (44% of the original lump sum) have been issued in relation to this project. The change orders increased the cost of the project to \$794,078. None of the work for which the change orders were issued was re-bid. The Airport indicated it is not necessary, practical, or common construction practice to re-bid change orders to an existing construction contract.

The agreement provided for liquidated damages of \$250 per day beyond the allotted project time (45 days). Further inquiry and information would be necessary to conclude whether the allotted project time was exceeded.

Competitive Award

The documentation provided by the Airport included a prepared advertisement for bids without evidence of publication; bid request forms; bid responses from six companies; and an evaluation of the bids.

A letter of recommendation from the Airport's project manager states that six companies submitted bids. Of the six companies cited, Waterland Trucking Service, Inc., had the lowest bid.

Commission Approval

The Airport did not provide a Wayne County Commission resolution authorizing this agreement. The Airport indicated that this agreement did not have a Commission resolution because it fell under "delegated authority" by the Wayne County Commission to the Director of Airports for CIP projects.

In support of its assertion, the Airport cited Section 8 of the Wayne County Contracting Ordinance (84-143) and Subsection 41(F) of the Wayne County Appropriations Ordinance (99-497). These ordinances authorize the County Executive to execute contracts to implement projects within an annual Capital Outlay Plan approved by the Wayne County Commission. The Airport indicated that this project was included in an annual Capital Outlay Plan approved by the Wayne County Commission.

Capital Improvement Program (CIP) - Design and Consultant Agreements

24. Consulting Engineering Associates - Electrical and Mechanical Utilities

Chronology

This project was a portion of a CIP professional services agreement. The agreement was executed on June 7, 1996. This project was listed as being in the design phase in the June 1999 CIP Status Report.

Contract Provisions

This consultant agreement was for the upgrading of electrical and mechanical utilities at the Airport.

Competitive Award

The documentation provided by the Airport included a request for qualifications; qualifications submitted by 12 companies; qualifications evaluation forms, completed by the qualifications evaluation committee; interview evaluation forms, completed by the interview evaluation committee; and evaluation tabulations.

The Airport did not provide a published advertisement for qualifications.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 96-310 authorized this agreement.

25. Farbman/Stein - Land Acquisition Assistance

Chronology

This contract was awarded to assist Wayne County in the purchase of land in the City of Romulus for the future construction of the fourth parallel runway. The contract was executed on February 21, 1991. Wayne County had not acquired all the necessary land as of the September 1999 Status Report.

An amendment to the agreement was entered into on August 31, 1995. A second amendment to the agreement was entered into on October 19, 1998 (see Exhibit E, Item 32).

Contract Provisions

This agreement was stipulated as a lump sum contract in the amount of \$1,350,000.

The contract stated that the consultant was to complete all services within 18 months. Nine years later, services remain to be completed. In addition, the documentation that the Airport provided to us indicated that the contract was amended twice, increasing the total cost of services to \$1,810,000.

The Airport stated that the 18-month completion provision was an overly optimistic estimate and, with the first amendment, was no longer an issue. The Airport indicated that the amendments were due to unforeseen circumstances in trying to purchase land for the fourth parallel runway and that re-bidding this service would mean having to start over on negotiations with property owners.

By entering into the agreement, the consultant asserted that there was no past, present, or contemplated future personal interest in any of the properties included in the agreement.

Competitive Award

The documentation provided by the Airport included a request for proposal; proposals submitted by five companies; an advertisement for proposals, whose publication was supported by purchase requisitions; proposal evaluation forms, completed by a review committee; and a proposal evaluation tabulation, completed by the review committee.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 91-70 authorized this agreement.

26. Ghafari Associates - Residential Sound Insulation Program

Chronology

This project was a portion of a CIP professional services agreement. The agreement was executed on November 20, 1995. This project was listed as out of the design phase, but currently in the construction phase, in the June 1999 CIP Status Report.

An amendment, extending the agreement through December 31, 1999, was authorized by the Wayne County Commission on April 1, 1999.

Contract Provisions

This consultant agreement provided architectural and engineering services for the installation of sound insulation in homes in connection with the Airport's Residential Sound Insulation Program.

Competitive Award

The documentation provided by the Airport included a request for qualifications; qualifications submitted by nine companies; an unpublished advertisement for qualifications; qualifications evaluation forms, completed by the qualifications evaluation committee; qualifications evaluation tabulation; and interview evaluation forms, completed by the interview evaluation committee.

The Airport did not provide a published advertisement for qualifications or an interview evaluation tabulation.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 96-122 authorized this agreement. Wayne County Commission Resolution 99-183 authorized an amendment to continue the design of residential sound insulation for homes around the Airport.

27. Giffels Hoyem Basso Associates, Inc. - Master Utility Project

Chronology

This project was a portion of a CIP professional services agreement. The agreement was executed on January 22, 1988. This portion of the project was listed as "completed" in the June 1999 CIP Status Report.

The portion of the agreement requested and reviewed was Amendment No. 2. This Amendment was executed March 16, 1989.

Contract Provisions

This consultant agreement was for an airfield lighting study, emergency engineering services, and evaluation of a new regulator building.

Competitive Award

The documentation provided by the Airport included qualifications submitted by five companies; interview evaluation forms, completed by a five-member interview evaluation committee; and an interview evaluation tabulation.

The Airport did not provide a request for qualifications; a published advertisement for qualifications; qualification evaluation forms, completed by the qualifications evaluation committee; or a qualifications evaluation tabulation. The Airport stated that it is continuing to search for the file, which is 12 years old and past the County's record retention period of 7 years.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 88-190 authorized the initial agreement. Wayne County Commission Resolution 89-179 authorized Amendment Nos. 1 and 2 to the agreement.

28. Giffels Hoyem Basso Associates, Inc. - Runway Lighting/NAVAIDS Study

Chronology

This project was a portion of a CIP professional services agreement. The agreement was executed on November 2, 1991. This portion of the project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

This consultant agreement was for a study of the existing conditions and recommendations for improvements to the runway lighting/NAVAIDS at the Airport.

Competitive Award

The Airport provided a request for qualifications; qualifications submitted by Giffels Hoyem Basso Associates, Inc.; qualification evaluation forms completed by the qualifications evaluation committee; an interview evaluation tabulation; and a letter in which the Airport's CIP consultant recommends that 3 of 7 companies be further evaluated. The letter indicates that 7 companies submitted qualifications for this agreement.

The Airport did not provide a published advertisement for qualifications; submitted qualifications from 6 of the 7 companies; or interview evaluation forms, completed by the interview evaluation committee.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 91-826 authorized this agreement.

29. JJR, Inc. - Crosswinds Marsh Wetland Preserve**Chronology**

This project was a portion of a CIP professional services agreement. The agreement was executed on December 12, 1990. This portion of the project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

This consultant agreement was for mitigation plans, associated construction documents, and construction follow-up services for 467 acres of wetland creation or restoration.

Competitive Award

The Airport provided qualifications submitted by five companies.

The Airport did not provide a request for qualifications; published advertisement for qualifications; qualification evaluation forms, completed by the qualifications evaluation committee; interview evaluation forms, completed by the interview evaluation committee; or evaluation tabulations.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 90-768 authorized this agreement.

30. The Pickering Firm - Asbestos Survey and Removal Preparation**Chronology**

This project was a portion of a CIP professional services agreement. The agreement was executed on April 21, 1988. This portion of the project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

This consultant agreement was for a complete asbestos survey of the Airport and preparation of asbestos removal specifications.

Competitive Award

The Airport did not provide any documentation indicating that the County awarded this agreement through a competitive process. The Airport stated that it is continuing to search for the file, which is 12 years old and past the County's record retention period of 7 years.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 88-204 authorized this agreement.

31. Professional Services Industries - Testing and Evaluation Services**Chronology**

This project was a portion of a CIP professional services agreement. The agreement was executed on February 24, 1992. This portion of the project was listed as "completed" in the June 1999 CIP Status Report.

Contract Provisions

This consultant agreement was to assist the County with certain testing and evaluation of subsurface conditions, existing structures, new construction in progress, and other testing work as requested by the Airport.

Competitive Award

The documentation provided by the Airport included a request for qualifications; qualifications submitted by 11 companies; qualifications evaluation forms, completed by the qualifications evaluation committee; interview evaluation forms, completed by a five-member interview evaluation committee; and an interview evaluation tabulation.

The Airport did not provide a published advertisement for qualifications or a qualifications evaluation tabulation.

After an evaluation of qualifications and an interview process, 6 of the 11 companies, including Professional Services Industries, were collectively selected as consultants for this agreement.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 87-346 authorized this agreement.

32. The Farbman Group

Chronology

This project was an amendment to a professional services agreement for property appraisal acquisition services pertaining to the fourth parallel runway. The original agreement was executed on February 21, 1991 (see Exhibit E, Item 25). The amendment was executed on October 15, 1998.

Contract Provisions

This amendment added additional services to be performed, including negotiating the relocation of business as necessary to minimize business interruption, securing the necessary consultants and appraisers to facilitate the business relocation, and securing the necessary subcontractors to complete demolition of all required properties.

Competitive Award

The services provided under this project were not bid out. Instead, an existing agreement was amended to include the services.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Approval

Wayne County Commission Resolution 98-646 authorized this amendment to the agreement.

33. The Program Managers Team - Construction Management

Chronology

This agreement was executed on September 1, 1998. The agreement included a five-year renewal option.

Contract Provisions

This service agreement was for professional program management services for CIP at the Airport.

Competitive Award

The documentation provided by the Airport included a request for qualifications; qualifications submitted by two companies; qualifications evaluation forms, completed by the qualifications evaluation committee; a qualification evaluation tabulation; and a letter of recommendation.

The Airport did not provide a published advertisement for qualifications; submitted qualifications from one company; interview evaluation forms, completed by the interview evaluation committee; or an interview evaluation tabulation.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(6)(d), exempts professional service agreements from competitive solicitation requirements because the services to be performed are professional in nature.

Commission Resolution

Wayne County Commission resolution 98-528 authorized this agreement.

Purchase Agreements

34. Cuda Uniform, Inc. - Police Uniform Purchase

Chronology

This agreement was a three-year open order to provide Airport police with transitional uniforms and equipment. The agreement commenced with issuance of a purchase order dated November 29, 1995 for a contract period beginning December 1, 1995.

Contract Provisions

Cuda Uniform, Inc., was contracted to provide Airport police transitional uniforms and equipment as needed, per union contract.

Purchases under this open agreement were not to exceed \$5,000 per year. Therefore, the total amount that should have been charged against this purchase agreement was \$15,000.

The agreement provided a one-year renewal option, thereby extending/renewing the agreement through November 25, 1999. The Airport informed us that Cuda Uniform, Inc., exercised the renewal option on May 22, 1998.

Competitive Award

Cuda Uniform, Inc., was recognized in the Commission resolution as a sole source supplier. Therefore, instead of bidding out the agreement, the County solicited a bid from Cuda Uniform, Inc., and ultimately awarded the agreement to Cuda Uniform, Inc.

Collective bargaining agreement documentation provided by the Airport indicated that a transitional uniform clothing and equipment allowance of an additional \$350 in the form of a voucher was available to Airport police. The Airport stated that purchases could be made from 4 or 5 designated vendors, including Cuda Uniform, Inc., and that quotes were solicited from each vendor prior to seeking Commission approval and subsequent issuance of a purchase order.

Commission Resolution

Wayne County Commission Resolution 95-811 authorized this agreement.

35. K.J. Law Engineers - Minivan With Runway Friction Tester

Chronology

The Airport initiated a purchase order on September 15, 1997 for this purchase.

Contract Provisions

K.J. Law Engineers was contracted to provide one minivan equipped with a runway friction tester.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; an invitation for bid; and K.J. Law Engineers completed bid.

A letter of recommendation from the County Purchasing Division states that the agreement was advertised and directly solicited to three companies. One company, K.J. Law Engineers, submitted a bid.

Commission Resolution

Wayne County Commission Resolution 97-485 authorized this single response agreement.

36. Riverside Ford Sales, Inc. - Fourteen 4x4 Utility Vehicles

Chronology

The Airport indicated that the vehicles were purchased on July 8, 1998. A rolling stock listing of Airport vehicles lists the in-service date of fourteen 4x4 Ford Explorers as November 19, 1998.

Contract Provisions

Riverside Ford Sales, Inc., was contracted to provide for the purchase of fourteen 4x4 utility vehicles for the Airport operations and maintenance sections. The cost of the fourteen 4x4 utility vehicles was \$427,000 (\$30,500 per vehicle).

The specifications included in the invitation to bid were quite particular. Among the specifications were a preferred fuel tank size with a minimum capacity of 23 gallons, a minimum engine size of 5.2 liter V-8, a minimum gross vehicle weight rating of 5,700 pounds, a minimum wheel base of 105 inches, a suspension capable of towing a minimum 5,000 pounds, power windows and locks, speed control, and a battery with a minimum rating of 600 CCA (cold cranking amps).

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(1), mandates that the invitation for bid describe the requirements of the County clearly, accurately, and completely, but that it avoid restrictive specifications which may unduly limit the number of bidders.

The Airport indicated that the specifications were written to allow any manufacturer producing an eight-cylinder engine to bid. Furthermore, having exceptions on the specifications would not necessarily disqualify a bidder. The Airport also indicated that the systems, materials, and equipment detailed in every vehicle specification are minimum descriptions, with no intent to exclude any reputable bidder.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; an invitation to bid; completed bids from five companies; a tabulation of bids; and the letter of recommendation.

The agreement was awarded to the lowest bidder satisfying the majority of the specifications. The bid from Riverside Ford Sales, Inc., did not satisfy the engine size and fuel capacity specifications. The bid vehicle had a 5.0 liter V-8 engine and a 21-gallon fuel tank.

Commission Resolution

Wayne County Commission Resolution 98-439 authorized this agreement.

37. Snethkamp Jeep-Eagle, Inc. - Sixteen 4x4 Utility Vehicles

Chronology

The Airport indicated that the vehicles were purchased on March 7, 1995. A rolling stock listing of Airport vehicles lists the in-service date of sixteen 4x4 Jeep Grand Cherokee Laredos as May 16, 1995.

Contract Provisions

Snethkamp Jeep-Eagle, Inc., was contracted to provide for the purchase of sixteen 4x4 utility vehicles for the Airport police and maintenance sections. The cost of the sixteen 4x4 utility vehicles was \$454,800 (\$28,425 per vehicle).

The specifications included in the invitation to bid were quite particular.

Wayne County Enrolled Ordinance 94-457, subsection 2(a)(1), mandates that the invitation for bid describe the requirements of the County clearly, accurately, and completely, but that it avoid restrictive specifications which may unduly limit the number of bidders.

The Airport indicated that the specifications were written to allow any manufacturer producing an eight-cylinder engine to bid. Furthermore, having exceptions on the specifications would not necessarily disqualify a bidder. The Airport also indicated that the systems, materials, and equipment detailed in every vehicle specification are minimum descriptions, with no intent to exclude any reputable bidder.

Competitive Award

The documentation provided by the Airport included an advertisement for bids, whose publication was supported by purchase requisitions; an invitation for bid; completed bids from two companies; and a tabulation of bids.

Two bids were submitted. The contract was not awarded to the low bidder because fuel capacity, engine size, gross vehicle weight rating (GVWR), and axle specifications were not satisfied. The preferred fuel tank size in the specifications was a 23-gallon fuel tank, whereas the low bid vehicle had a 21-gallon fuel tank. The minimum engine size according to the specifications was a 5.2 liter V-8, whereas the low bid vehicle was a 4.0 liter V-6. The minimum GVWR in the specifications was 5,700 pounds, whereas the low bid vehicle GVWR was 5,660 pounds. The specifications called for an all-the-time

four wheel drive system, whereas the low bid vehicle was a shift-on-the-fly four wheel drive system. The low bid was approximately \$20,000 lower than Snethkamp's bid.

Commission Resolution

Wayne County Commission Resolution 95-176 and 95-353 authorized this agreement.

Airline Agreements

38. Mesaba Aviation, Inc. - Airport Agreement

Chronology

1. September 11, 1996 - January 1, 2009 Initial agreement
 - Contract execution date was September 11, 1996. The Airport indicated that a Wayne County Commission resolution is not required for leases on Airport property.

Contract Provisions

The agreement was for the right to lease certain premises and facilities and the rights, licenses, services, and privileges to operate an air transportation business at the Airport.

The Airport shall, following the end of each calendar month, transmit to Mesaba Aviation, Inc., a statement of the rentals, fees, and charges, other than the activity fees, incurred by Mesaba Aviation, Inc., during said month, and the same shall be paid by Mesaba Aviation, Inc., within 15 days after receipt of such statement.

Mesaba Aviation, Inc., shall, within 10 days following the end of each calendar month, transmit to the Airport a report, certified by Mesaba Aviation, Inc., giving the data as to the aggregate approved maximum landing weight of all aircraft operated by Mesaba Aviation, Inc., and landed at the Airport during such month, together with such other data as may be reasonably required by the Airport to determine the amount of any activity fees.

The following is the designation of loading gates for Mesaba's preferential use pursuant to the airport agreement:

1. Hold room area in Concourse G: 1,170 square feet occupied July 21, 1996 at a current rental rate of \$16.29/square foot (\$19,059.30/year)
2. Office space in Concourse G: 176 square feet occupied July 21, 1996, at a current rental rate of \$16.29/square foot (\$2,867.04/year)

Exclusive and common areas leased to Mesaba Aviation, Inc., pursuant to the airport agreement:

1. Location of leased areas: None
2. Description of leased areas: None
3. Electrical rates: None

Competitive Award

The Airport stated that this type of agreement, an airport/airline agreement, was not subject to Wayne County's competitive solicitation process.

Commission Resolution

The Airport did not provide a Commission resolution authorizing this agreement. The Airport indicated that a Commission resolution is not required for leases on Airport property. In support of its assertion, the Airport cited Subsection 5(e) of the Wayne County Airport Ordinance (91-466). This ordinance authorizes the Director of Airports, subject to approval of the County Executive, to enter into agreements for use and lease of Airport building space, building sites, and Airport land.

Lease Agreements

39. Ford Motor Company - Hangar Lease

Chronology

1. December 21, 1961 - December 1, 1992 Initial agreement
 - Contract execution date was December 21, 1961. The Airport indicated that the contract executed in 1961 was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. December 2, 1992 - November 30, 2007 Extension
 - Contract execution date was April 18, 1995. The Airport indicated that a Wayne County Commission resolution is not required for leases on Airport property.

Contract Provisions

The agreement granted Ford Motor Company the exclusive use of Hangar Building No. 359, comprising approximately 59,000 square feet of floor space. In addition, the agreement provided for the lease of an approximately 99,596-square foot parking area, an approximately 72,404-square foot area of unimproved land, an approximately 136,250-square foot ramp area, and an approximately 8,500-square foot tank storage area.

A 1998 amendment to the agreement reduced the size of the parking area to 87,000 square feet and increased the area of unimproved land to 85,000 square feet.

Rentals paid by Ford Motor Company were based on a schedule of square foot rental rates that increased over the life of the agreement.

Competitive Award

The Airport stated that this type of agreement, a building lease, was not subject to Wayne County's competitive solicitation process.

Commission Resolution

The Airport indicated that the contract executed in 1961 was approved by the Wayne County Road Commission under the former Wayne County Charter.

The Airport did not provide a Wayne County Commission resolution authorizing the agreement from December 2, 1992 to the present. The Airport indicated that a Commission resolution is not required for leases on Airport property. In support of its assertion, the Airport cited Subsection 5(e) of the Wayne County Airport Ordinance (91-466). This Ordinance authorizes the Director of Airports, subject to approval of the County Executive, to enter into agreements for use and lease of Airport building space, building sites, and Airport land.

40. Nomads, Inc. - Hangar Lease

Chronology

1. November 16, 1978 - December 31, 1998 Initial agreement
 - Contract execution date was November 16, 1978. The Airport indicated that the contract executed in 1978 was approved by the Wayne County Road Commission under the former Wayne County Charter.
2. January 1, 1999 - December 31, 2004 Extension
 - Contract execution date was April 18, 1995. The Airport indicated that a Wayne County Commission resolution is not required for leases of Airport property.

Contract Provisions

The agreement granted Nomads, Inc., the exclusive right to lease Hangar Building No. 351, comprising approximately 29,316 square feet of floor space. In addition, the agreement provided for the lease of an approximately 76,005-square foot parking area, an approximately 5,595-square foot area of unimproved land, and an approximately 6,964-square foot apron area.

The extension executed in 1999 provided an option to renew the agreement for an additional five-year period.

Rentals paid by Nomads, Inc., were based on a schedule of square foot rental rates that increased over the life of the agreement.

Competitive Award

The Airport stated that this type of agreement, building leases, was not subject to Wayne County's competitive solicitation process.

Commission Resolution

The Airport indicated that the contract executed in 1978 was approved by the Wayne County Road Commission under the former Wayne County Charter.

The Airport did not provide a Wayne County Commission resolution authorizing the agreement from January 1, 1999 to the present. The Airport indicated that a Commission resolution is not required for leases on Airport property. In support of its assertion, the Airport cited Subsection 5(e) of the Wayne County Airport Ordinance (91-466). This ordinance authorizes the Director of Airports, subject to approval of the County Executive, to enter into agreements for use and lease of Airport building space, building sites, and Airport land.

41. Northwest Airlines - Flight Kitchen Lease**Chronology**

According to the lease agreement (signed April 21, 1986), the lease term shall commence upon completion by Northwest Airlines of either a flight kitchen building or an air freight building. The lease shall continue for a term of years which shall be equal to one year for each \$40,000 expended by Northwest Airlines for fixed improvements initially constructed upon the premises not to exceed 30 years. If both a flight kitchen and an air freight building were constructed on the premises within one year following relocation of the companies using the land prior to Northwest Airlines, the term of the lease would commence upon completion of the last facility and the term would be determined by the expenditure on both buildings.

Contract Provisions

The agreement granted Northwest Airlines the right to lease certain land (approximately 230,570 square feet) at the Airport to construct a flight kitchen facility and air freight facility to serve its air transportation business at the Airport.

According to the agreement, the Airport financed the facilities to be constructed on the land leased, as well as certain other facilities, by issuing \$90,500,000 Special Airport

Facilities Revenue Bonds Series 1985. However, the agreement also states that Northwest, at its own expense, shall construct upon the premises a flight kitchen and related facilities and an air freight building and related facilities, provided that the cost of constructing the fixed improvements shall not be less than \$750,000. Construction of the flight kitchen building and air freight building shall be carried out pursuant to the requirements of Article IV of the Special Facilities Lease.

Northwest shall pay the Airport an annual rental of \$41,502.60, payable in monthly installments of \$3,458.55, which rental is based upon an initial rate of \$0.18 per square foot per year and the total number of square feet of the premises.

The annual rental shall be subject to adjustment on January 1, 1987 and on January 1 each year thereafter in accordance with the percentage increase or decrease in the Index of Average Hourly Earnings, Excluding Overtime, of Production Workers on Manufacturing Payrolls, as published by the Bureau of Labor Statistics of the U.S. Department of Commerce.

Competitive Award

The Airport stated that this type of agreement, a building lease, was not subject to Wayne County's competitive solicitation process.

Commission Resolution

Wayne County Commission Resolution 88-202 authorized this agreement.

42. Sky Chefs, Inc. - In-Flight Kitchen Lease and In-Flight Catering

Chronology

The Airport has provided us with documentation of two lease agreements and one amendatory lease agreement relating to Sky Chefs, Inc.:

1. April 1, 1984 - May 31, 2002 Initial agreement between Wayne County and Flagship International, Inc., doing business as Sky Chefs, Inc.
 - Contract execution date was January 16, 1985. The Airport indicated that a Wayne County Commission resolution is not required for leases on Airport property.

2. June 1, 1986 - May 31, 2002 Initial agreement between Wayne County and Sky Chefs, Inc.
 - Contract execution date was February 8, 1988. The Airport indicated that a Wayne County Commission resolution is not required for leases on Airport property.
3. June 1, 1984 - May 31, 2002 Amendatory agreement between Wayne County and Sky Chefs, Inc.
 - Contract execution date was July 14, 1999. The Airport indicated that a Wayne County Commission resolution is not required for leases on Airport property.

The Airport indicated that the actual term of the agreement is January 16, 1985 through May 31, 2002 and that the agreement was approved by the Wayne County Road Commission under the former Wayne County Charter.

Contract Provisions

The various agreement documentation provided contained the same basic provisions, except the amendatory agreement reduced the lease rates and square footage rented, as noted below. The agreement granted Sky Chefs, Inc., the right to lease certain premises and facilities, including vehicle parking, unimproved land, and Building No. 534 at the Airport. The agreement also granted Sky Chefs, Inc., the nonexclusive right to use the premises as a kitchen facility for the preparation of in-flight meals to be delivered at the Airport to the aircraft of air carriers and for any and all purposes necessary or incidental to such preparation and delivery.

Building No. 534 comprised approximately 36,750 square feet of floor space. The parking area comprised approximately 74,819 square feet and the unimproved land area comprised approximately 80,455 square feet.

Rentals paid by Sky Chefs, Inc., were based on a schedule of square foot rental rates that increased over the life of the agreement.

The agreement does not require Sky Chefs, Inc., to pay a concession fee for the privilege of operating as an in-flight food caterer at the Airport.

Competitive Award

The Airport stated that this type of agreement, a building lease, was not subject to Wayne County's competitive solicitation process.

The Airport also stated that in-flight catering agreements were not subject to Wayne County's competitive solicitation process. The Airport informed us that airlines select and retain their own in-flight food caterers without input from the Airport or Wayne County. In general, the Airport drafts an agreement to collect a concession fee from the caterer for the privilege of operating at the Airport.

Commission Resolution

The Airport did not provide a Wayne County Commission resolution authorizing this agreement. The Airport indicated that a Commission resolution is not required for leases on Airport property. In support of its assertion, the Airport cited Subsection 5(e) of the Wayne County Airport Ordinance (91-466). This ordinance authorizes the Director of Airports, subject to approval of the County Executive, to enter into agreements for use and lease of Airport building space, building sites, and Airport land.